The China Weekly

REVIEW

密勒氏評論報

A Weekly Newspaper Established in 1917

Civil-War Begins Between Nanking and Nineteenth Route Army

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Tibet After the Death of the Dalai Lama , By C. Y. W. Meng

SATURDAY, DECEMBER 30, 1933 VOLUME 67, NUMBER 5

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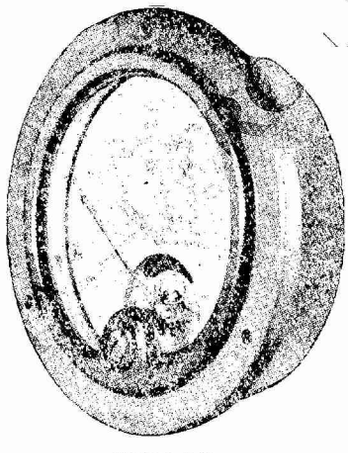

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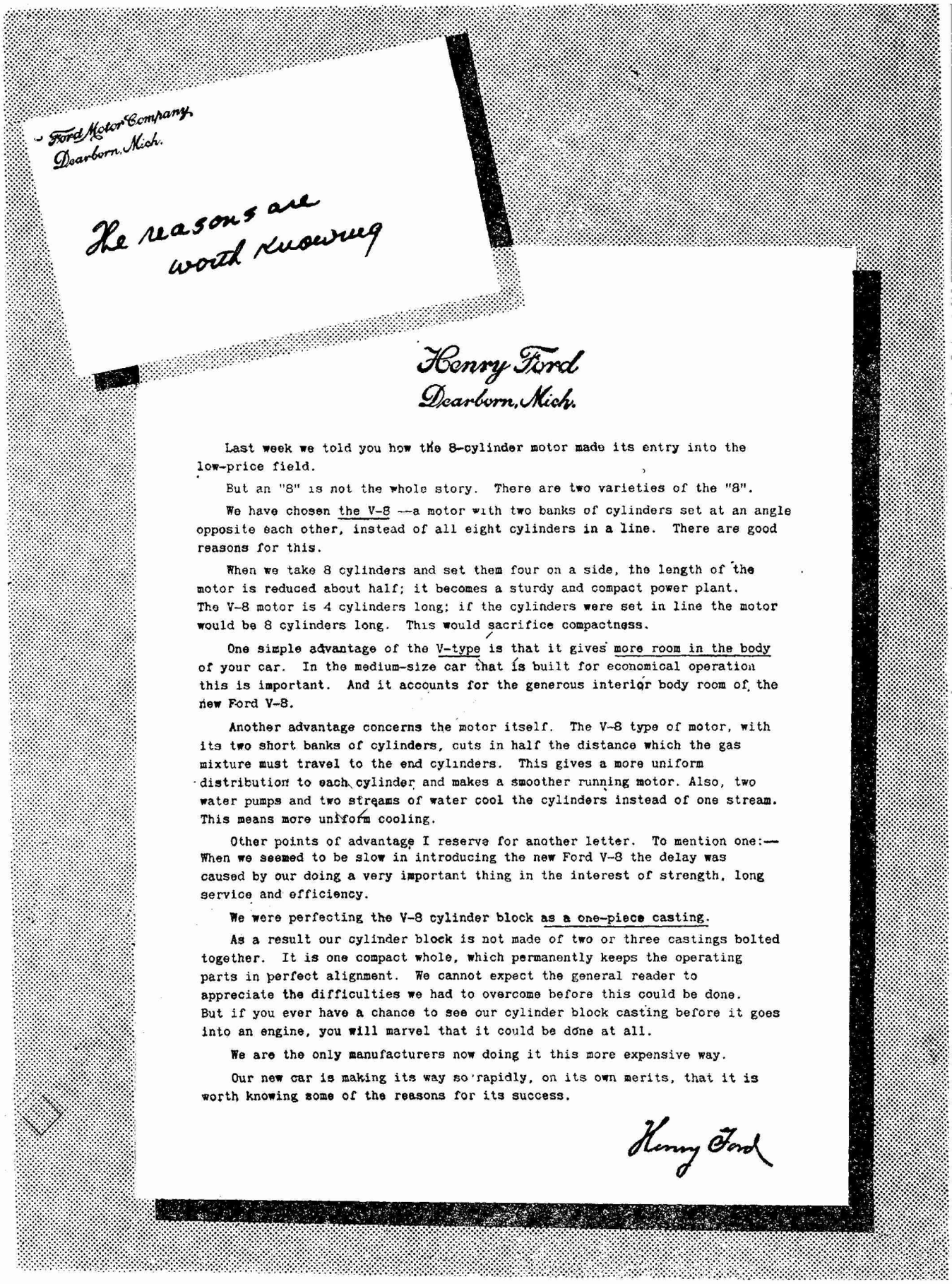
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Other points of advantage I reserve for another letter. To mention one:— When we seemed to be slow in introducing the new Ford V-8 the delay was caused by our doing a very important thing in the interest of strength, long service and efficiency.
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As a result our cylinder block is not made of two or three castings bolted together. It is one compact whole, which permanently keeps the operating parts in perfect alignment. We cannot expect the general reader to appreciate the difficulties we had to overcome before this could be done. But if you ever have a chance to see our cylinder block casting before it goes into an engine, you will marvel that it could be done at all.
We are the only manufacturers now doing it this more expensive way.
Our new car is making its way so rapidly, on its own merits, that it is worth knowing some of the reasons for its success.
Henry Ford

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Formerly Millard's Review

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ROOSEVELT SAID AMERICA SAVED SIBERIA FROM JAPANESE

ONE of the most difficult questions that came up during the Roosevelt-Litvinov discussions in Washington was that concerning the Russian debt to the United States and a counter-claim against the American Government which the Soviets made in connection with damages which they suffered in consequence of the American intervention in Siberia during the last stages of the World War, 1918-1920. The reason this question was a difficult one was due to the fact that most of the money which the United States had advanced to Russia went to the so-called Kerensky Government which succeeded the Imperial regime and in turn was succeeded by the Bolsheviks. The United States insisted that since this money had been advanced to a recognized Russian government it should be repaid, but what Roosevelt and Litvinov decided to do about this issue has not yet been announced. However, considerable has been said about the Soviet counter-claim against the United States in connection with the Siberian intervention. Gen. William S. Graves, who commanded the American troops at Vladivostok, declared in his recent book, "America's Siberian Adventure," that the whole thing was a puzzle to him at the time and has remained a puzzle to this day. However, the United States did send an army into Siberia and kept it there for practically two years, the officially announced reason being the rescue of the Czecho-Slovakian troops who were marooned in central Russia. Another publicly-announced reason for the American intervention was the protection of vast military stores belonging to the Allies which had been accumulated at Vladivostok. Since the European allies were busy on the European front the job of intervening in Siberia was turned over to the United States and Japan, each nation agreeing to send in one division or between 12,000 and 14,000 men. Before Gen. Graves and his 8th Division sailed from San Francisco for Vladivostok, Gen. Graves was given an *Aide Memoire* by the State Department which outlined American policy toward Russia. The document was quite lengthy but the important part was contained in a few sentences which made the most solemn assurances to the people of Russia that neither the United States or the other governments concerned in the Russian intervention "contemplated any

interference of any kind with the political sovereignty of Russia, or any intervention in her internal affairs."

Then came the intervention which General described as "America's Siberian Adventure," and adventure it turned out to be for the Japanese instead of abiding by their promise to send one division, double-crossed their allies by sending in five divisions. Also, the Japanese by lending support to the Cossack Semenoff, made very definite moves toward the annexation of Siberia or at least the creation of a "puppet" state in that area. The Japanese claimed justification for this because the Russian "partisans" who preceded the Bolsheviks had massacred a considerable number of Japanese troops which the Japanese army had stationed at the mouth of the Amur opposite Sakhalin Island. As a direct result of these activities a serious row developed between the Americans and Japanese that threatened on several occasions to degenerate into open hostilities. And even more serious trouble developed between the American troops and the Semenoff Cossacks who were acting as puppets of the Japanese. But to make a long story short the American troops finally were withdrawn, leaving the Japanese in control. But the Russians by that time had organized their so-called "Far Eastern Republic," and were getting into position to offer the Japanese effective resistance. Then came the Washington Arms Conference in 1921-1922 when Secretary Hughes reminded the Japanese of their promises at the beginning of the Siberian intervention and bluntly told them that the time had come for Japan to live up to her understanding and withdraw her troops. Since there was no sidestepping the question, the Japanese promised to get out of Siberia and shortly afterward did so, thus liquidating the Siberian Adventure." Now for the last chapter which we reprint from a Washington Letter, dated Nov. 21, which referred to the recent Roosevelt-Litvinov conversations and was published in the *North-China Daily News* on Dec. 22:

> Mr. Litvinoff mentioned the American operations in Siberia, and the damage done there by American troops, in an attempt to show that the Soviets had some claim against the United States to counterbalance the American claims against the Soviets. "How much damage did the American troops do?" said Mr. Roosevelt showing interest. "Oh?" about $6,000,000,000 worth" said Mr. Litvinoff. The President looked incredulous. "How much then would half of Siberia be worth?" "About, $50 billion," said Mr. Litvinoff. Then on that particular account you owe us $44 billion because the presence of our troops there saved you loosing half of Siberia." The President thereupon produced papers which showed that the representatives of the Far Eastern Republic (Siberia) had at the Washington Disarmament Conference agreed with the American authorities that the presence of American troops was essential to save the greater part of their territory from being annexed by the Japanese.
>
> M. Litvinoff, therefore, could do little else but renounce all Siberian claims. In doing so however, he was permitted a diplomatic triumph of his own. He referred very bluntly to the "examination of certain documents" relating among other things to "The attitude of the American Government toward....the inviolability of the territory of the Union of Soviet and Socialist Republics," which had led him to waive these claims. A person of suspicious mind might easily read into the phraseology a hint that the President would guarantee now as he had guaranteed then the integrity of Soviet soil in the Far East from foreign domination.

CORRESPONDENT MOWRER ON DICTATORS AND DEMOCRATS

EDGAR ANSEL MOWRER, correspondent for for the Chicago *Daily News* was one of the best known foreign writers in Germany in the days of the republic and prior to the development of Hitlerism. But Mowrer got into trouble with the Hitler group largely because of a book he wrote which was entitled "Turning Back the Clock in Germany." Mowrer was at the time chairman of the foreign correspondents' association in Berlin, but despite this and the support of his paper, the Hitler Government finally warned him that he would have to leave the country, otherwise Germany could not guarantee him protection. The Chicago *Daily News* then transferred Mowrer to Tokyo, but prior to proceeding to his new post the paper gave him leave-of-absence for conducting a lecture tour in the United States. Mowrer lectured in Kansas City on November 26 and the *Kandas City Star*, one of the best known newspapers in the United States gave him a full column on the front page. As might be expected from his experiences in Germany, Mr. Mowrer does not think much of dictatorships whether in Germany under Hitler, in Italy under Mussolini in Russia under Stalin. He said so quite frankly in his lecture and was quoted similarly in the *Star*, "After Hitler, Mussolini and Stalin, give us muddling majorities every time. Give us elections where we don't have to vote yes and yes. Give us Roosevelts, whom we can boot out or re-elect at certain stated times, whom we entrust with mandates for definite periods only."

There is special interest in Mr. Mowrer's remarks because his next correspondence post will be in Japan where a most significant battle is now being fought on this same political issue —democracy or a dictatorship! For several years Japan has operated a two-party system of government and considerable strides toward genuine democratic government have been made —but the Manchurian incident in 1931 gave the military clique its great opportunity and since that time the drift has been in the direction of a dictatorship. Even before the Mukden incident the militarists showed their hand by distributing leaflets over the countryside from army planes attacking the party then in control of the Government. Following the grab of Manchuria the military general staff pressed its advantage and any Japanese schoolboy, teacher or anybody else who dared lift up his voice against Gen.

Araki and his clique was dubbed a "communist" and thrown into jail. At the present there are supposed to be between 12,000 and 15,000 of these unfortunates now in jail in Japan all accused of harboring "dangerous thoughts," and denied the constitutional right of open trial in court. Even lawyers who defended some of the alleged "communists" have been arrested and also thrown into jail on charges of harboring dangerous thoughts. Yosuke Matsuoka, who fought for the military clique at Geneva and walked out of the conference when the nations of the world rebuked Japan for its wholesale violation of treaties, has now resigned from the Seiyukai party and is campaigning for a military dictatorship. Recent reports from Japan have indicated the possibility that the two major political parties may be forced to amalgamate in order to protect themselves against the military clique. For these reasons Mr. Mowrer's democratic ideas may not be any more popular in Japan than they were in Germany, hence Japanese reactions following his arrival in Tokyo will be interesting to observe.

Serious Civil War Begins Between Nanking and Nineteenth Route Army---Foochow Bombed

SKIRMISHING between Nanking Government troops under the direct command of Gen. Chiang Kai-shek and the Nineteenth Route Army commanded by Gen. Tsai Ting-kai which began near the Chekiang-Fukien border on Dec. 18, has now developed into a serious civil-war situation. However, the actual beginning of hostilities was a week previously when Nanking planes on a scounting expedition dropped bombs on the town of Chuanchow while a political massmeeting was being held. Chuanchow is located on the Fukien coast a short distance north of Amoy. On December 24, 25 and 26 Nanking Government planes bombed the city of Foochow, capital of the so-called People's Government, allegedly destroying considerable government property. A dispatch from *The Review's* correspondent at Hongkong on Dec. 26 stated that five Government planes had participated in the bombing causing heavy casualties among both soldiers and civilians. Fukien planes belonging to the Nineteenth Route Army attempted a counter-attack on the Nanking bombers but after a brief air-battle one of the Fukien planes was damaged and had a forced-landing resulting in the wounding of the pilot. The native population of Foochow and Amoy the two leading cities of the province as well as other places are rapidly departing for Hongkong and Shanghai. American and British missionaries stationed at Foochow who had received a previous warning of the expected bombing, were reported to have gone to Amoy. Japanese residents and natives of Formosa, which is a Japanese colony, upon the advice of their consular officials remained in Foochow. Yakichiro Suma, first secretary of the Japanese Legation at Shanghai and recently appointed Japanese consul-general in Nanking, departed for Foochow on Dec. 22 and was in Foochow at the time of the Nanking bombing raid. The Japanese also have strengthened their naval defences along the Fukien coast and a report from Peiping on Dec. 24 stated that the Japanese military attache, Gen. Shibayama, had been ordered to Shanghai. A report from Amoy on Dec. 17 stated that the foreign consular body at that place had conferred on the matter of protecting their nationals and it had been decided to evacuate everybody to the gunboats stationed in the harbor. However, the Japanese objected to this on the ground their population was too numerous to be accommodated on gunboats, hence the Japanese consul declared that all Japanese would remain in the city and the Japanese naval authorities would take steps to protect them.

An official report through the *Kuomin* news agency from Nanking on Tuesday evening, Dec. 26 confirmed the bombing of Foochow on Dec. 24 and also on Christmas day, Dec. 25, but stated that care had been taken not to cause unnecessary damage to civilian areas. The report claimed that heavy damages had been inflicted on the military headquarters and airdrome of the Nineteenth Route Army and stated that the naval attack on Foochow which was scheduled to begin shortly was expected to bring about the early collapse of the rebel government. Detailed reports dealing with the bombing of Foochow were originally circulated in Shanghai on Dec. 24 and 25 by the so-called *Jih-Jih* news agency, recently established in Shanghai allegedly by interests affiliated with the Fukien rebel government. According to the *Jih-Jih* report five Nanking planes participated in the bombings on both Dec. 24 and 25 causing considerable damage to the building used by the government as an assembly hall, the bureau of public safety, the aviation field, the city defence headquarters, military headquarters and a primary school. A latter report from Foochow stated the city was again bombed on the afternoon of Dec. 26 and stated also that the city of Changchow, located near Amoy had been bombed. Generals Li Chai-sum, Tsai Ting-kai, Chen Ming-shu and other officials of the rebel regime were reported to have removed their offices to a village on the outskirts of the city. Foreign missionaries stationed at interior towns in the province such as Yenping, Kienyang and Kiensu were reported to have removed to Pucheng and Hsienhsia near the Chekien border.

Skirmishing between the vanguards of the opposing forces which began on Dec. 17 and 18 in the areas adjacent to the border separating Fukien and Chekiang provinces, has now developed into a major engagement in the vicinity of Taishun and Chingyuan, two strategically located cities in southern Chekiang province, the object of the 19th Route Army apparently being to cut off the town of Wenchow where the Nanking Government has been landing troops and rushing them inland to the border districts. One of Nanking's air-bass is also located at Wenchow. A report published in the Chinese edition of the *Shanghai Evening Post* on Tuesday,

Dec. 26 stated that the rebel forces were making furious attacks on both these cities, but the Government had larger forces available, hence expected to be able to hold them. The report stated that Gen. Tsai Ting-kai, who defended Shanghai against the Japanese intervention in January and February of this year, was again leading his troops personally in the drive into Chekiang province. A Hangchow report published in the local Shanghai papers claimed that Government troops had captured Yenping an important city located in northern Fukien about 75 miles south of the Chekiang border, but the report was not confirmed. It also was stated that serious fighting was in progress at Pucheng which is located in the extreme northern corner of Fukien province. The Fukien forces on this sector are being led by Gen. Mao Wei-shou.

But aside from the airbombing of Fukien cities which is designed to demoralize the Fukien forces, Nanking is placing chief dependence on a naval attack on Foochow directly, according to reports in the Chinese papers which stated that the Nanking fleet, commanded by Admiral Chen Chi-liang, accompanied by transports loaded with soldiers, would sail shortly with the object of effecting a landing at or near Foochow. The fortress at Mamoi point just outside of Foochow at the mouth of the Min River already has been occupied by Nanking gunboats. The gunboats Ninghai, Yingshui and Haichou, previously stationed off Woosung were reported to have sailed for Fukien waters early in the week. Since the officers and personnel of most of the Chinese gunboats are composed of natives of Fukien this is expected to lend enthusiasm to their attempt to recover possession of their home province from which they were ousted many months ago.

Officials of the Nanking Government admit that the success of their campaign depends largely upon the attitude of the Japanese, who, while professing neutrality, have on the other hand made all preparations for intervention. Since the Japanese refused Nanking's request to evacuate their nationals from the Fukien ports, officials of the National Government express the fear that Japan will take advantage of this to either intervene or forbid Nanking from landing troops at either Foochow or Amoy. Considerable significance was therefore placed on the visit of First Secretary Suma of the Japanese Legation to Foochow on Dec. 22. Japan has been trying to induce the People's Government now in control of Fukien to ratify a number of old agreements which Japan forced on the Chinese Government following the Sino-Japanese War again in the Twenty-One Demands of 1915. Should Japan succeed in making a deal with the Fukien rebel government, the Japanese naval authorities might then declare the Fukien coast neutral territory and forbid Nanking to intervene.

Chief interest, of course, attaches to the political juggling which is going on behind the scenes. Nanking's delegates, Chang Chi, Ma Chao-chun, Chen Chao-ying and Wang Lu-i who went south to interview Hu Han-ming and the Cantonese and Kwangsi politico-military leaders, returned to Nanking on December 25. An official statement issued from Nanking on Dec. 26 said they were "on the whole successful," and that plans for a general readjustment of governmental and party affairs would be submitted to the Central Executive Committee at the 4th plenary meeting scheduled for Jan. 20. However, no definite statement has been issued referring to details of any understandings which have been reached, but according to reports in the Chinese newspapers, Gen. Chen Chi-tang commander of the Cantonese troops has agreed not to support Fukien and to continue the campaign against the Communist forces in southern Kiangsi. The Kwangsi leaders apparently were of a similar idea, but rumors were in circulation in Chinese circles to the effect that both Canton and Kwangsi had demanded the resignations of both Gen. Chiang Kai-shek and Wang Ching-wei in order that a general reorganization of the Government could be effected. Of primary importance is the attitude of Hu Han-ming leader of the so-called Right Wing in the Kuomintang who was forced out of his position as chairman of the Nanking Legislative Yuan and after detention in the National Capital for a considerable time, left for Hongkong where he has since resided. Various versions of Hu Han-ming's proposals for an adjustment of the present crisis have appeared in the Chinese newspapers, the following being a translation which appeared in a Canton dispatch by *Reuter*, dated Dec. 15,

1.—To obey Dr. Sun Yat-sen's teachings and to carry out the Three Peoples Principles;

2.—With a view to suppressing the Fukien rebellion, the Government should represent the interest of the people;

3.—The object of the Government should be externally to resist imperialistic aggression in order to make national independence secure, and internally to safeguard freedom of speech by practising district autonomy.

4.—That the military commanders be forbidden to interfere in civil administration, and that the control of armies be in the hands of the government.

5.—Centralisation of control of armies so that troops have definite assignments either for Japanese resistance, the suppression of the communists, or border defence.

6.—Defining the function and powers of the Central and local governments.

7.—Strictly enforcing tariff autonomy, abolishing heavy miscellaneous taxes, providing farm relief, developing communications and expanding industries and trade.

8.—Only efficient and capable persons who, at the same time, would be willing to abide by Kuomintang principles, should fill government posts.

In the course of an interview with *Reuters* correspondent, Mr. Hu declared there was no truth in the report of an alliance between himself and General Chiang Kai-shek and Wang Ching-wei. He also declared that there had been no alteration in his previously expressed opposition to the Fukien regime or the Nanking Government, or that he was working with political elements in Canton and Kwangsi looking toward the formation of a third government. With refence to Nanking he declared, "The only solution to the situation is for the Nanking authorities to commit suicide as an apology to the nation....if they do not have the courage to end their own lives they should immediately quit....I have no intention of proceeding to Nanking and tolerate the blunders committed by one or two persons." A report from Nanking, following the return of its delegates from the South, stated that the National Government might be prepared to accept Hu Han-ming's eight proposals, but first urged him to return to the

National Capital. However, Gen. Chiang Kai-shek's spokesman in Shanghai was quoted in a *Nippon-Dempo* dispatch circulated to newspapers in Japan that Gen. Chiang had refused to consider resignation under any circumstances "until the completion of the anti-Communist drive." Gen. Chiang was quoted as declaring that it was unreasonable to expect him to resign so long as the Fukien rebellion is in existence.

Wang Ching-wei, head of the Nanking Executive Yuan, declared in the course of a statement at Nanking on Dec. 19 that the Fukien revolt would not in any way affect the settled policies of the Government which consisted in bandit-suppression and economic reconstruction. Referring to demands for his resignation he said that he was willing to quit at any time when a man better fitted to handle the difficult situation appeared on the scene.

Of special interest in connection with the tense political situation in south China were reports published in the Chinese papers telling of a serious atttempt to assassinate Gen. Chen Chi-tang, leader of the Canton forces who is an ally of Gen. Chiang Kai-shek. The reports stated that Gen. Chen had lost several teeth as a result of bullets fired at him but otherwise was not seriously wounded. That the political crisis is also having repercussions in other parts of the country was indicated in a report from Tientsin on December 22 stating that "communists" had thrown a bomb into the Central police station in the Chinese city causing the wounding of several persons. As a result martial law was declared in the Chinese areas while the authorities of the foreign concessions also adopted special precautions. Martial law also have been declared in the Chinese areas about Shanghai and Gen. Wu Teh-chen conducted an anti-red raid among the students of several of the government schools in the Chinese city. The early return of Marshal Chang Hsueh-liang from 8-months trip to Europe is supposed to be closely concerned with the maintenance of stable conditions in north China where units formerly under his command were reported as becoming restless over the Fukien situation.

Eugene Chen, Minister of Foreign Affairs of the People's Government at Foochow, issued a statement on Dec. 22 denying allegations which had appeared in the foreign and Chinese newspapers at Shanghai to the effect that the 19th Route Army had entered into an alliance with the Kiangsi reds. Gen. Li Chai-sum, the Chairman of the People's Government also declared that the Government at Foochow "has the situation well in hand." He also denied the allegations that Foochow is allied with the Communists, and concluded with the statement, "Our army may not be very large, but with good morale and high spirits our troops will crush the enemy." In a further interview which was circulated by *Reuters* from Foochow on Dec. 20 Eugene Chen urged the introduction of the "federal" principle of government into China in place of the present centralized system existing in Nanking. "China with its continental area and population cannot be effectively governed as a unitary state under the so-called Five-Power Constitution with its extra-constitutional machinery copied from the Bolshevist party machine."

A report from Hangchow published in the *North-China Daily News* on Dec. 27 stated that Gen. Chiang Kai-shek, who had been in Hangchow, had departed with Madame Chiang for the town of Chuchow, which is located in the mountainous section of southern Chekiang. Gen. Chiang's departure for this city was responsible for reports in Hangchow that major hostilities would soon develop in the border regions. Dr. H. H. Kung, Minister of Finance, went to Hanchow where he held a conference with Gen. Chiang.

The Chinese newspapers have continued to publish reports from Nanking and Canton dealing with Hu Han-ming's proposals. A report in the *Central China Daily News* (Wang Ching-wei's paper) alleged that Hu Han Ming is trying to induce the leaders of the Fukien revolt to modify their program so as to enable Hu to organize a "Third Government." The Canton political council held a special meeting on Dec. 26 and drafted a fresh proposal to Nanking based on Hu Han-ming's eight principles.

A report in the *China Times* on Dec. 26 said the Communist leaders in Kiangsi had called "national" conference to be held at Hsinkuo on the Hunan-Kiangsi border for the purpose of discussing future policy. When Gen. Chiang Kai-shek learned of this report he ordered his troops to capture Hsinkuo. A report in the *Shanghai Morning Post* alleged that the Fukien rebel regime had agreed to give the Communists a port on the southern Fukien coast.

Manchurian Situation at the End of 1933---Future Chinese Policy

RECENTLY there has been a tendency among certain foreign commercial groups in Shanghai, which have interests in Manchuria, to paint a rosy picture of the future of China's northeastern provinces under Japanese rule. This has particularly been true of such concerns as the British-American Tobacco Company, the officials of which apparently have sound reasons for optimism, due to the fact that they succeeded in making a deal with the Japanese military authorities whereby the B. A. T. will be permitted to continue its manufacture and sale of cigarettes in that territory. According to reports in the Japanese newspapers the Japanese were on the point of creating a tobacco monopoly in Manchukuo similar to that which prevails in Japan proper and Korea which would have had the effect of eliminating the B. A. T. entirely. But by diligent effort, plus the diplomatic support of the British Government, the officials of the British cigarette trust were able to reach a compromise with the Japanese authorities whereby the creation of a monopoly apparently has been postponed for a time. But the B. A. T. in future will be compelled to share the territory with the Japanese Toa Tobacco Company, which is a subsidiary of the official Japanese tobacco monopoly. How long the truce will last is not known for the Japanese Government tobacco bureau always has used the Toa Tobacco Company as a "spear-head" in extending its monopoly on the continent, and since the Japanese organ enjoys privileges which non-Japanese interests cannot obtain the present peace-pact may not be long-standing. The incident is mentioned because it indicates a prevailing tendency among certain foreign commercial interests (also some Chinese) to recognize Japanese rule as a permanent situation in China's northeastern provinces.

But one wonders whether this feeling of optimism is justified, for what is happening is that the Japanese are putting pressure on both foreign and Chinese commercial interests and compelling them to either recognize Manchukuo or get out of the country. Some are complying with the Japanese demands and thus subjecting themselves to the dictation of the Imperial Japanese Kwantung Army. Others are refusing and closing up their offices, hoping for a change in the international situation in future which will

permit them to resume operations with some measure of independence and self-respect! Firms that make this decision, one way or the other, must naturally consider very carefully the resulting effect on public opinion in China generally and also the possible reactions in the event of a future alteration of the situation in Manchuria.

That Japanese military control in Manchuria has been responsible for prosperity in many lines, particularly railway construction, is generally known. The exact mileage of new construction is not available but it probably has been greater than at any other time in the history of the territory, the Japanese object being to rush through construction on certain strategic military through construction on certain strategic military lines considered necessary to consolidate their military control and in preparation for a possible war with Soviet Russia. Of greatest importance in this connection was the recent completion of railway links connecting the port of Seishin on the west coast of Korea so as to enable the transport of Japanese troops to Changchun, Harbin and north Manchuria in a much quicker time than had been possible in the past when Japanese troops were sent to Manchuria by way of the port of Dairen. According to a *Nippon-Dempo* dispatch in the *Japan Advertiser* on Dec. 17 the Japanese military authorities, through the expenditure of large sums on new railway construction in Manchuria and on sea-transport lines, are now able to rush troops from Tokyo to Changchun in 39 hours, whereas it previously required 68 hours when it was necessary to send troops by way of Shimonoseki and Dairen, a saving of 29 hours. This has been made possible through the extension of the former Chinese railway running eastward from Changchun through Kirin City to northern Korea where it links up with the Korean railways connecting with the port of Seishin.

But of even more importance from the standpoint of military strategy has been the completion of another line which extends from the Kirin railway at a point near Kirin City directly northward to Harbin where a bridge is under construction across the Sungari River. The completion of this link will enable the Japanese military authorities to send their armies into the heart of Heilungkiang province in north Manchuria for the railway running northward from Harbin has also been connected with another former Chinese line which extended northeastward from Tsitsihar toward the Sino-Soviet border in the vicinity of Taheiho, which city is located on the Amur River directly opposite the Russian city of Blagoveshchensk. This will enable the Japanese to land troops at Seishin on the western Korean coast directly from Niigata, Japan, and rush them northward in a broad semicircle within striking distance of the Soviet border and at the same time send military supplies to the same area over the other former Chinese railways which tap the Japanese South Manchuria line at Kaiyuan and Ssupingkai and extend in a generally northwestern direction to Anganchi and Tsitsihar which are located a considerable distance northwest of Harbin.

Still further railway construction includes an extension of the former Chinese railway running to Taonan on the border of Mongolia which will enable the dispatch of troops to the border of Outer Mongolia and another line connecting Chengteh, capital of Jehol with the former Peiping-Mukden railway at Chinchow and Hulutao, the object here being to enable dispatch of Japanese troops to the Great Wall area north of Peiping and ultimately to Kalgan and over the Peiping-Suiyuan line into Inner-Mongolia. According to the article in the *Japan Advertiser*, referred to in the foregoing, the Japanese military authorities have not only worked out the problem of military transport to their satisfaction, but also have not neglected the matter of transporting Manchurian raw products to Japan which will be routed through the Japanese port of Fushiki. As for ordinary trade, this will be routed through Tsuruga which is in close proximity to the business centers of the Kwansai district. The military authorities, according to this report, are also working on what they call an "emergency" route whereby ships carrying merchandise from Manchurian ports to the ports of North America would be sent through the Straits of Tsugaru instead of through the Inland Sea as is now the practice. All of these Japanese military routes designed to consolidate the so-called Japan-Manchukuo "bloc" are to be paralleled by air-lines, the hope being to link Tokyo with Changchun by air in about 10 hours.

Most of this emergency railway construction has been financed from the coffers of the Japanese military war chest through an arrangement with the Japanese Government-owned and operated Manchuria Railway, which acts as contractor and operator. However, there is prospect that the puppet state of Manchukuo will be compelled to finance further construction for a recent report from Changchun stated that the Kwantung Army authorities had compelled the puppet state to include the item of $75,000,000 in the budget for next year covering further construction, including several lines in Kirin and Heilungkiang provinces designed for military strategic purposes with respect to the Russian frontier. It has been this emergency railway construction, pushed through by the military authorities, that has been responsible for the recent move of the Military General Staff in Tokyo to take over the complete control of the S. M. R. Heretofore the S. M. R., of which the Japanese Government owns 50 percent of the stock, has been controlled through the Japanese ministries of Interior and Finance and as such has constituted the chief "plum" in Japanese domestic politics. What this has meant in Japanese domestic politics may be indicated in the fact that a change in political control at Tokyo always has meant the shifting of some 3,000 employes on the S. M. R. This has naturally resulted in widespread political graft for officials appointed to the railway administration because of their allegience to one or the other of the two major political parties, the Seiyukai and Minseito, have always made the best of their opportunities while in Manchuria. It was this commercial-political bureaucracy built up along the S. M. R. and at the port of Dairen since 1905 which was largely responsible for the Japanese intervention and occupation of Manchuria in September, 1931, the reason being that recent Chinese railway and port

construction threatened the Japanese monopoly. The controllers of the S. M. R. seeing their special privileges endangered because of Chinese competition, induced the Japanese military authorities to intervene, the Japanese military authorities themselves being altogether too willing to act because they also had their own ideas on the matter of carving out a new empire in China's northeastern provinces. But now that the Imperial Japanese Army, particularly the so-called Kwantung branch of the army, has put over the scheme, the military officers have no desire to permit the politicians and businessmen to grab all the profits, hence the move to completely militarize the S. M. R. Much doubtless will be heard of this subject in the forthcoming session of the Imperial Diet which is scheduled to get down to business shortly after the new year, but according to present prospects the military clique probably will win out because they have the guns and if necessary will use them on their own people as they have on the Chinese who opposed them in Manchuria. The Japanese jails already are filled to overflowing with political malcontents, including thousands of students and teachers, who have dared to speak out against the domination of the warlords.

The expenditure of these vast sums of Japanese yen in the construction of strategic railways and motor highways, plus the building of the new capital at Changchun, plus the construction of innumerable Japanese barracks and military posts over the country, plus the construction of industrial establishments such as chemical plants and arsenals needed by the army, plus the development of electrical communications and air-lines, has involved the employment of tens of thousands of laborers and the purchase of vast quantities of manufactured goods of a military or semi-military character. This has brought prosperity to certain industries in Japan which have been favored with military contracts and also has created prosperity in Manchuria where much of the money has been expended on labor and native supplies. It has been this situation which has created the feeling of permanency of Japanese military control in Manchuria which has affected many foreigners and some Chinese who have not stopped to consider the fundamentals in the situation.

Of primary importance among the many fundamental defects in the present Japanese structure in Manchuria is the fact that it has been built upon an illegality. In making this statement we realize of course that legalities have not had any great weight in the relations of nations in the Far East, but the present case is quite different because it represents a definite line of demarcation between international justice and order and international chaos and ultimate anarchy. It is a mistake to regard the Manchurian Question as something which has developed suddenly since September, 1931. The Manchurian Question is an old issue that dates back to the original clash of Russian adventurers and Chinese garrison posts on the Upper Amur more than two and a half centuries ago. After many decades of fighting and compromise the Chinese and Russians settled the boundary issue to their mutual satisfaction and the settlement stood until 1894-1895 when the Japanese came along and seized Korea which had been a Chinese dependency, and also established themselves on the Liaotung Peninsula. Russia, France and Germany then combined to force Japan out of the Liaotung area and this marked the beginning of an imperialistic Russian attempt to occupy Manchuria which in turn precipitated the Russo-Japanese war of 1904-1905. It was at this point that the Americans became interested in the Manchuria Question and after acting as mediators in the Russo-Japanese peace conference at Portsmouth several attempts were made during the administration of Theodore Roosevelt to bring about a new deal in Manchuria which would minimize the possibility of future conflict. These attempts, popularly known as the "Knox neutralization plan" were unsuccessful, but the idea was thoroughly sound and had it been adopted would have prevented the present Sino-Japanese crisis which grew out of railway competition. The American Open Door Dictrine, the American opposition to the Japanese Twenty-One Demands of 1915, the Washington Conference Treaties of 1921-1922 and finally American cooperation with the League of Nations in the consideration of the Manchurian issue, all constituted an attempt to introduce orderly civilized procedure into the adjustment of this question. Therefore the unanimous decision of the nations of the world on this question is something which cannot be dismissed even though the Japanese have occupied the territory by force of arms and have expended vast sums in consolidating their position.

Also of great importance in connection with the final adjustment of this issue was the recent re-establishment of normal diplomatic relations between the United States and the Soviet Union. Since the absence of the Soviets constituted the only weak spot in the American-League consideration of the Manchurian issue, that has now been rectified, hence it is hopeless for the Japanese military clique to continue to defy the world on this question. On December 17 the Soviet Government officially warned Japan and the puppet state of Manchukuo regarding recent illegal move with respect to the status of the Chinese Eastern Railway. In this, the first real Soviet move with regard to the treaty situation, the Japanese authorities were told that the Soviet Union cannot be expected to recognize the legality of any measures taken by Manchukuo which are in violation of the Peiping and Mukden agreements of 1924. The Soviet memorandum reviewed the "constant violation of the railway's rules, continual raids on trains and destruction of railway property, murder and manhandling of employes, arbitrary and unilateral acts of violence of the existing international rules, constitute an obvious attempt on the part of the Japanese and Manchukuo authorities to seize the railway." The Soviet note then reserved the right to lodge a claim for damages and declared the expectation of the Soviet Government that Manchukuo would take early steps to restore the original railway agreements and observe them as they now exist. On Dec. 23 the Soviet assistant chairman of the board of directors of the C. E. R. notified the chairman of the board, Li Shao-keng, that the attempt of the Japanese adviser to the Manchu-

kuo Ministry of Communications to assume the right of inspection of the C. E. R. is in contravention of the regulations governing the railway which is the property of the Soviet Union, which is operated on the basis of international agreements. These protests by the Soviet authorities indicate that Russia also is now prepared to make a strong stand on the question of Japan's violation of her international agreements.

A further weakness in Japan's position as the permanent controller of Manchuria has to do with finances, not in Manchukuo, but in Japan proper. The Japanese military adventure on the Continent in 1931 marked the beginning of an orgy of high finances in Japan which is now rapidly leading in the direction of complete bankruptsy. A report of governmental finances published in the *Japan Advertiser* on December 12 stated that Japan's outstanding balance of debts at the end of November was Yen 8,211,523,000, which included Yen 6,387,890,000 in domestic indebtedness and Yen 1,421,210,000 in foreign loans. In addition there are temporary loans of Yen 100,000,000 and treasury notes amounting to Yen 302,423,000 outstanding. In view of the fact that Japan's foreign loans amounting to Yen 1,421,210,000 are calculated on a basis of mint par and, if the exchange rate drop is 40 percentm the actual figure is Yen 1,989,694,000, which is Yen 568,484,000 more than it would be at the par rate. This means that Japan's governmental debt at the end of the present year amounts to considerably in excess of Yen 8,780,000,000 and with the new borrowings necessitated by the new budget, the grand total of Japan's debts by the end of the next fiscal year—March 31, 1935—will reach approximately Yen 10,000,000,000. When that point is reached it will mean that Japan's total domestic surplus revenues will be required to meet the interest payments on the governmental debt alone. In view of the fact that this tremendous indebtedness was incurred as a direct result of the Manchurian affair the probabilities are that it will precipitate serious domestic complications in Japan where the people have been impoverished and the country drained of money in order to finance a militarist adventure which has not benefitted the Japanese people generally. A report by the *United Press* dealing with the present politico-financial situation in Japan which was published in the *North-China Daily News* on Dec. 24 stated that serious criticism of the military clique is now beginning to appear in the most influential Japanese newspapers and "as was expected, the budget is the rock which has at least partly wrecked military prestige....diplomatic observers feel that the Army and Navy, by demanding more money than the people felt the services needed or deserved, overplayed their hands and estranged a large section of public opinion...."

But it is in Manchuria that one finds the real indications of Japan's approaching downfall, for as the old Russian Czarist Empire wasted its strength in this area, so also is the modern Japanese Empire following a similar pathway toward disaster. When the Imperial Japanese Army embarked on its grandiose adventure it operated on the theory that the local population in the area did not matter, or was to be regarded as so much putty to be molded at will. With this idea in mind the Japanese army operated with a mediaeval ruthlessness which had the effect of creating universal suspicion, distrust and hatred. Apparently the Japanese military leaders thought that 30,000,000 Chinese could be converted overnight into Japanese subjects somewhat as was the experience with the unfortunate Koreans, but the results have been the exact opposite. Every move which Japan has made in the territory from the creation of the puppet Manchukuo regime headed by the Manchu recidivist, Pu-Yi, and even including the expenditure of vast sums for the construction of strategic railways, has made the native pupulation more distrustful of Japan's motives. This has necessitated the stationing of more and more Japanese troops in the territory and the expenditure of more and more money from the Manchukuo treasury for the preservation of peace. The period of pacification, originally announced by the Japanese as two years, has now been extended to ten years and many foreign observers, particularly the missionaries who are in close touch with the people, express doubt as to Japan's ability to ever gain the confidence of the people. Since the beginning of the present month there have been reports of several new plots against the Japanese regime even in the Mukden district where the Japanese have conducted their most intensive "anti-bandit" campaigns and have established Japanese garrions or Japanese-officered native forces in practically every village. A report from Mukden through the official Japanese *Rengo* service on December 12 stated that Gen. Wang Teh-lin a former commander of Chang Hsueh-liang is again plotting the overthrow of the "new state." The report alleged that Wang was receiving support from the Siberian side of the border. Another *Rengo* report from Changchun alleged that Gen. Ma Chan-shan of Nonni River fame is also planning to resume operations against the Japanese and Manchukuo armies.

However, it is in the actual and continuing "banditry" situation that Japan's failure to pacify the people is chiefly evidenced. A *Rengo* report from Changchun on December 21 stated that "with the object of ensuring public peace and preparing for any emergency....it had been decided to completely reorganize the army and police systems....the new plan providing for the placing of all troops and police forces under the direct control of the Japanese Army." This emergency action apparently has been necessitated by the development of two new sources of anxiety, Korean unrest and the Communists. Heretofore there has been little or no mention of these elements of unrest but a *Rengo* report from Mukden on December 12 stated that Korean malcontents had organized a so-called "bandit revolutionary army" which was active in raising funds with the object of creating disorder in the zone of the South Manchuria Railway through the assassination of Japanese and Manchukuo officials. It was alleged that the Koreans in Manchuria are receiving support from the Korean Independence Party which maintains a headquarters at Shanghai. On December 16 the *United Press* reported from Mukden that 53 so-called Communists had been arrested in Manchuria and the Kuantung leased area in recent

weeks, many of the Communists being Japanese as well as Chinese and Koreans.

A review of the banditry situation in Manchuria as it has developed in recent weeks would require many columns of this issue of *The Review*. The situation in north Manchuria has now become so serious that it has become necessary for the Japanese to transfer the Hirose detachment from east Manchuria to the Harbin district. This action was necessitated by two sensational attacks on trains of the Chinese Eastern railway, one on November 28 and the other on December 15. Both occurred on the line between Harbin and the Soviet border at Manchouli and involved the wrecking of the C. E. R. international express carrying mails and passengers destined for Europe. In both cases the trains were wrecked and a number of passengers killed and wounded. The incident on December 15 was particularly serious, resulting in the killing of several persons and the kidnapping of a number of others. Among those killed were two Japanese army officers while eight Japanese soldiers were seriously wounded. Since the last analysis of the Manchurian banditry situation published in the issue of *The Review* on October 28 the writer of these paragraphs has accumulated no less than 73 separate clippings from Japanese newspapers and news agency reports, each describing some bandit incident, covering a period of about eight weeks. Some idea of the situation may be gained from the following brief summaries culled from these reports:

Kirin, Oct. 24—Approximately 2,000 bandits which had been driven into the hilly districts by recent Japanese and Manchukuo drives, have applied for surrender on favorable terms, the group consisting of twelve separate bands.

Mukden, Oct. 24—Bandit attacks in Fengtien province during the month of September totalled 764 according to a bulletin issued by the provincial police board. This represented a decrease of 200 from the August report.

Harbin, Oct. 24—Two Russians named Kitaff and Savin were attacked and kidnapped by bandits. The Russians were fishing in the Sungari at the time of the attack.

Changchun, Oct. 26—A conclusive anti-bandit campaign is now being staged in Kirin province by the Takanami detachment, but according to the reports of the officers the bandits are not risking an engagement and are fleeing into the wooded districts ....It is believed however, that peace shortly will be completely restored in the district *(Rengo)*.

Mukden, Oct. 26—Major-General Kanichiro Tashiro, chief of the gendarmerie corps in Mukden stated today that banditry in the Jehol district had either been put down or the bandits had been driven southward into Hopei province south of the Great Wall. He said however, that the most difficult task was in tracking down those who were alternately farmers and bandits.

Harbin, Oct. 27—Gen. Sun Chao-yang, notorious Chinese leader of 1,500 brigands, was captured at Intendunsky station as he was trying to escape to Peiping. Gen. Sun's forces were cooperating with another group numbering approximately 4,000 which has been territorizing the Pinhsien area.

Dairen, Oct. 27—Some 90 Manchukuo soldiers who recently mutinied against the Japanese military authorities were deported from Dairen today back to their homes in Shantung province.

Peiping, Oct. 30—According to the report of a Japanese officer connected with the Kwantung army there are still 100,000 Chinese volunteers still active at different places in Manchuria.

Kirin, Oct. 30—The Nakamura contingent defeated a body of about 800 bandits led by Tien Chen and Sung Kuo-yung, following a three-hour engagement at Shanchengtzu, about 35 miles from this city. Lieut. Fujita of the Japanese forces was killed.

Tsitsihar, Nov. 7—More than 30 convicts escaped from the Chaotung prefectural jail on Saturday afternoon and after taking possession of the local government building, engaged in a battle with the local Japanese and Manchukuo troops. The Japanese sent reinforcements from Anta station.

Tsitsihar, Nov. 9—Anxiety is felt here regarding the fate of three Japanese officials following an attack by 1,000 bandits on the Tunghsing prefectural office.

Harbin, Nov. 9—A small detachment of Japanese troops was involved in a fierce three-hour battle with 300 bandits in the vicinity of Mulan, along the Sungari. The Japanese losses were one killed and one wounded.

Seoul, Korea, Nov. 10—The Korean garrison issued a statement today regarding Japanese operations against bandits along the Manchukuo-Soviet border and the Mikiang river. The report stated that the bandits had suffered 400 casualties and 42 had been taken prisoners. Part of the outlaw bands escaped into Soviet territory. The Japanese had five casualties.

Dairen, Nov. 13—The Kawahara brigade and other Japanese units have surrounded 1,500 bandits belonging to the "Big-Sword" group which had been operating in the Chaoyang and Lingyuan areas.

Changchun, Nov. 16—Five foreigners who had been prisoners of bandits led by Hun Tien-chiu, were rescued by the Kirin garrison at a point about 10 miles northwest of Nangan, Kirin province.

Tsitsihar, Nov. 20—The bodies of two Japanese officials of the South Manchuria Railway, believed to have been murdered, were discovered this morning near the Peianchen garrison headquarters.

Chutzuchen, Nov. 20—A unit of the Kwantung Army on Thursday afternoon occupied Lotzukow, Wanchinghsien, after engaging and routing a bandit force of 1,500 led by Wu Yi-cheng. A dozen Japanese planes took part in the fighting. The bandits left more than 300 bodies on the field.

Chinchow, Nov. 21—Approximately 1,500 "big-Sword" bandits have been surrounded by the Japanese punitive troops at Wuchiatzu in Jehol province between Chaoyang and Lingyuan. The band is made up of remnants of nearly 5,000 outlaws who entered Jehol from Fengtien about a year ago.

Seoul, Nov. 21—The public prosecutor has recommended the death penalty for 17, life imprisonment for 25 and varying terms ranging from one to fifteen years for 216 others who were involved in Communist disturbances in the Chientao district near the Korean-Manchukuo border. The total number tried was 258, including Chinese and Koreans.

Chengteh, Nov. 17—Three men opened fire on Gen. Chang Hai-peng, governor of Jehol province under the Japanese administration. Gen. Chang was inspecting the provincial department of education at the time and according to report he was slightly wounded. Owing to the prevailing unrest, many people are trying to leave Chengteh but are being prevented by the Japanese and Manchukuo police.

Harbin, Nov. 17—Japanese and Manchukuo troops destroyed a strong group of 300 bandits under Tsao Teh-chuan which had occupied Shihchiayingtzu, located about 20 miles from Mulan. The Japanese Sonoda corps which led the assault lost one man. More than 100 wounded Japanese soldiers from recent anti-bandit campaigns are being sent to Kobe, Japan this week.

Changchun, Nov. 25—Major-General Takanami in an interview with *Rengo* today declared that peace and order had been established in Kirin province. He declared, "My detachment in operating around Tunhua and Ningkuta did not encounter many brigands on the present expedition, hence the situation is improving."

Changchun, Nov. 26—Major Togu, Japanese military adviser to the Kirin garrison reported today that twelve battles were fought against bandits in Kirin province during the month of October. Major Togu's report was as follows:

1.—On October 10 the 8th Cavalry regiment engaged 1600 bandits under former brigade commander Sun at Wachinpieh, Huachuan-hsien (hsien means district), and repulsed them. Ten bandits were killed.

2.—On October 13, the second battalion of the 6th Infantry regiment encountered Sun's brigands at

Hsientung, Hunchuan-hsien, and repulsed them. Five bandits were killed.

3.—On October 14, the same punitive force defeated a bandit group under Wu Lung at Pachiatzu, Ilan-hsien.

4.—On October 19, the same punitive force destroyed a gang of 60 bandits under Ta Hsing-yu Shayuhang, Ilan-hsien.

5.—On October 19, the 4th cavalry regiment fought 700 bandits led by Chen Chiang at Shuangyashan, Fuchin-hsien, repulsing them. Twenty-one bandits were killed including their chieftain

6.—On October 19, the same regiment subjugated a bandit group under Ching Shan at Matikou in Ilan-hsien. Seven bandits were killed.

7.—On October 21, the First Infantry battalion suppressed brigands led by Li Hua-tang and Liang Shen-shou at Chingshankoutzu, Ilan-hsien. Thirteen brigands were killed.

8.—On October 22, the 8th Cavalry regiment fought fiercely with 200 mounted bandits led by Li Hue-tang at Erhatachotzu, Ningan-hsien. Four bandits were killed. One private of the punitive force was wounded.

9.—On October 23, an infanty corps under Battalion Commander Liu encountered a group of bandits under Nan Tien-fei at Hsiao Pantao, in Ilan-hsien.

10.—On October 24, the 2nd Battalion of the 6th Infantry Regiment repulsed 300 bandits and killed seven of them.

11.—On October 26, the First Cavalry Company fought the Nan Yang bandits numbering 300, at Tienchiatun on the Ilan-Fangcheng-hsien border. The punitive force suffered 2 killed and five wounded. The casualties of the bandits are unknown.

12.—On October 26 four cavalry regiments suppressed a bandit group at Lichintuan, Paoching-hsien.

Changchun, Nov. 27—Gen. Tien Sheng, notorious bandit chief and leader of 2,000 outlaws is reported to have died this month. Recently Tien was hemmed in by the Nakamura and Manchukuo detachments and his force reduced to 600 men. He then agreed to submit to Manchukuo, but soon afterward reverted to banditry. His death was reported to have been due to a "lingering illness" *(Reuters)*.

Harbin, Nov. 27—Nine Japanese passengers are known to have been injured when bandits derailed and attacked the international train which left here yesterday for Manchouli. There were some 80 members of a Japanese aviation unit on the train and they immediately engaged the bandits, finally driving them off. The Japanese losses included Sergeant Yamamoto and Superior-Private Ojima killed and Sub-Lieutenant Maruyama and four others wounded.

Changchun, Nov. 27—Captain Enomoto, commander of the Japanese garrison at Chengchiatun was killed together with 9 subordinates during engagements with an armed group of desperate bandits. In addition 11 other Japanese privates were seriously wounded. The incident occurred at Taipingchuan *(Nippon-Dempo)*.

Chungchun, Nov. 29—It is reported that an assassination corps has been formed here by young Chinese and Koreans, the object being to kill Gen. Hishikara, the Japanese supreme commander and Henry Pu-Yi, head of the new state.

Changchun, Nov. 29—Mitsugu Ogata, Japanese police instructor and 12 Manchukuo policemen were murdered by bandits last Friday near Erhlungshan, about 30 miles west of Kaitung on the Mukden-Taonan, line. They were proceeding from Cangyo to Erhlungshan when they were surrounded by 200 bandits led by Lien Yang. They fought desperately but all were killed. Mr. Ogata had only been appointed to the post of police instructor three days prior to his murder.

Mukden, Nov. 29—While the motor car in which Mr. Takada, councillor of of the Japanese consulate here, was returning from Tunghua, became stalled, the occupants were attacked by a group of bandits. Mr. Takada was accompanied by four consular police and had it not been for the fortunate arrival of 40 Manchukuo cavalrymen the entire party would have been murdered. The bandits were firing on them from all sides.

Mukden, Nov. 30—Some 450 bandits which entered Jehol from the demilitarized zone in north China, are now rapidly surrendering to the Japanese forces. The bandits are led by Wen Tzu, Tien Hsia-hao and Chu Chung-hao *(Rengo)*.

Changchun, Nov. 30—Gen. Takashi Hishikari, commander-in-chief of the Kwantung Army addressed a message today to the Manchukuo soldiers who have assisted in restoring peace and order in Kirin in cooperation with the Japanese troops.

Tokyo, Dec. 2—An official statement of the War Office yesterday declared that after killing 600 bandits and capturing 1,000, the Japanese troops have completely cleared Kirin province of outlaws. The recent drive was started in October by the Hirose detachment, assisted by the Hata and Takanami units. Two notorious leaders, Tien Chien and Hei Hu were slain and Chao Yang another chieftain was captured, while another Lei Hsing was seriously wounded. Two others Er Hu and Ping Hsin wurrendered and pledged allegience to Japan and Manchukuo.

Harbin, Dec. 12—(Correspondence in *North-China Daily News*) Ten days ago three young Russians went fishing on the opposite side of the Sungari from Harbin. They were attacked by Chinese bandits, but one escaped, one was severely wounded and the other taken prisoner and held for $7,000 ransom. The bandits have their headquarters on the opposite side of the river from the city and are members of gangs which operate in defiance of the police. Yesterday the body of a young Russian named Minaeff was brought here from Pogranichnaya where he had been murdered. On September 4 another Russian boy 17 years old named V. Allaguloff was captured by bandits and severely tortured before his parents raised sufficient money to effect his release.

Antung, Dec. 13—A large force of armed bandits, estimated at 2,000 descended on Shihtoucheng, located 15 miles northeast of Fenghuangcheng on the Antung-Mukden railway yesterday afternoon.

Antung, Dec. 14—Gen. Hsu Wei- hai, chief of police of Kuanjenhsien in Fengtien province, who rebelled against the Japanese and Manchukuo has surrendered. He attempted to fortify himself on the Kuantien-Fencheng border.

Harbin, Dec. 16—No less than 10 persons are known to be dead and many were taken prisoners when a band of 300 bandits wrecked and looted the international train on the Chinese Eastern Railway at a point between Anganchi and Tientzushan. One of the prisoners is a Japanese named Yokota.

Harbin, Dec. 19—The special Japanese military mission is taking steps to obtain a decoration for Sergeant Machida for his brave deed in cutting down no less than 47 bandits single-handed with his sword. Machida was one of the passengers on the C. E. R. train which was attacked by bandits. Three other Japanese soldiers are also being recommended for bravery.

Harbin, Dec. 20—A band of 500 bandits swooped down at midnight on Tun, a station 50 miles northwest of Harbin and made a surprise attack on the Manchukuo garrison. Part of the defence force was overpowered and the remainder retreated. The bandits then looted the town, making off at daybreak with a rich haul. Japanese troops were rushed to the station but the bandits had escaped.

Newchwang, Dec. 23—Four bandits who were involved in the abduction of four British officers of the steamer Nanchang some months ago, were arrested and one of them,allegedly the second in command of the gang, was executed this morning. The three others are being sent to Mukden for investigation.

Japan Figures in Australian Libel Case

A libel action being heard in the Australian Supreme Court is exciting enormous interest because it involves close public analysis of Japanese policy during war just when an Australian diplomatic mission is going to Japan, states the Sydney correspondent of *The Observer*. Sir Hugh Denison, Chairman of Associated Newspapers, Ltd., is suing *Truth* and *The Sportsman*, Ltd., proprietors of the newspaper *Truth*, on the grounds that an article published by that paper on July 17, severely criticising Associated Newspapers. Ltd., for conducting a "defence of Australia" campaign, using Japan as a focus for public indignation as a menace to Australia, thereby endangering friendly relations with Japan, insinuated that Sir Hugh Denison used this defence campaign for "mercenary purposes." The defendants plead that the depiction of Japan as a menace and a potential enemy is inimical to the best interests of the Commonwealth.

Birth of Heir to Japanese Throne Gives Nation New Hope

THE principal development in Japanese political circles during the past week was the birth of a boy at the Imperial Palace at Tokyo on the morning of December 23. The imminence of the birth had been heralded for weeks past in the Japanese Press and the news that at last there was an heir to the Throne of Japan was received by the Japanese populace as an omen of good luck from Heaven. The Imperial pair have three daughters in their family—this was the first son. He will succeed his father as the 125th Emperor of an unbroken line of monarchs reputed to date back to the seventh century before Christ. Messages of congratulation were received by the Emperor and Empress from rulers all over the world. Henry Pu Yi, the so-called Executive of Manchukuo, was among those who sent his congratulations. Nowhere was the birth of the heir to the Japanese throne celebrated more enthusiastically than by the Japanese community in Shanghai. The Shanghai correspondent of the *Rengo* News Agency telegraphed to Japan the following, which is typical of Japanese sentiment: "This is the day of days for Japan, since the birth of a son to the Emperor and Empress means that the Japanese nation has had fulfilled their wishes for the prosperity of the Imperial Throne and for the bright future of the Island Empire." The birth of this heir will undoubtedly strengthen the hand of the Army and Navy and ruling clique in Japan, and from now on it may be predicted that radical and liberal sentiment in the Island Empire will be put down more rigorously than ever before. One of the projected measures is amnesty to many political prisoners, among them the defendants in the May 15 incident last year, and also Toneo Sagoya, under sentence of execution for the assassination of the late Premier Hamaguchi, who it is expected will have their sentences reduced. In the meantime there has been considerable criticism of War Minister Araki. The Fukuoka *Nichi Nichi*, in a recent editorial, ridiculed Gen. Araki's repeated statements that Japan faces a period of unprecedented emergency as the new naval limitation conversations approach and because of the resumption in diplomatic relations betweed Soviet Russia and the United States. The Fukuoka newspaper agrees with Baron Wakatsuki, president of the Minseito, Japan's most liberal political party, that those who are talking loudest about the "national crisis" are influenced by selfish motives. It intimates that Gen. Araki is emphasizing a national crisis to get through his demands for unprecedented appropriations for the Army. Many observers in Tokyo predict there will be vigorous criticism of both the Army and the Navy in the coming session of the Diet, which was formally convened Dec. 26 by Emperor Hirohuto in person; but the Ministerial addresses will not be delivered until about the middle of January.

Baron Wakatsuki Defends Parliamentary System

An outstanding opponent of military rule is Baron Wakatsuki, president of the Minseito, former premier and chief of the Japanese delegation which risked assassination by accepting the London naval treaty for Japan, who has been speaking throughout the country recently in defense of parliamentary doctrine. Party government in Japan practically disappeared following the military outbreak of May 15, 1932, when young army and navy officers assassinated the late Premier Tsuyoshi Inukai in a frank effort to force declaration of a full military dictatorship. The effort at a dictatorship failed, owing to the intervention of Prince Saionji, "last of the Genro," or elder statesmen of the Meiji era; but a super-party government was formed and still is in power headed by Admiral Viscount Makoto Saito. Typical of Baron Wakatsuki's views are statements he made in an address at Sendai, in which he asked in effect whether Japan would be better off under the control of a small autocratic group than under the party parliamentary system The speaker thought not. He compared conditions in Japan to those existing in Italy as an example of such autocracy as he had in mind, and also with Soviet Russia. He pleaded for cautious action in this time of crisis

"Some people are saying that Japan will be faced with a crisis in 1935 and 1936," the Baron said, according to *Nippon Dempo's* account. "I do not share this view. If there ever has been a crisis in this country it is here today. We are now passing through a period that is the most momentous in our history. This is a time for us to make provision against the future and if we make a serious mistake today woe unto us later." The Baron said the parliamentary system in Japan has stood the test of time and must be defended at all costs.

Yosuka Matsuoka, former chief Japanese delegate to the League of Nations Assembly, who created a sensation some time ago by resigning from the Seiyukai Party and renouncing his seat in the House of Representatives, issued a statement Dec. 23 announcing the organization of what he calls the League for Liquidating Political Parties. In his statement, he emphasized the necessity of dissolving the exisiting political parties in order to expedite the most urgently needed national reconstruction.

Baron Nakajima, Minister of Commerce and Industry, has assumed the role of go-between between the two major political parties to cease party strife and fuse themselves into one strong political entity so as to enable the Government to carry out urgent national policies.

Leading members of the Seiyukai and the Minseito, the two major parties in Japan, met for the first time for friendly political consultaions December 25 at Koyoken, Shiba, thereby drawing considerable attention in the political world.

Japan Has Adverse Trade Balance

Japan's adverse foreign trade balance during 1933, ending on December 31, will reach approximately Yen 90,000,000, a recent telegram from Tokyo indicated. The above figure includes the adverse trade balance for the colonies which are under the Japanese administration, to the amount of approximately Yen 32,000,000.

The Ministry of Commerce and Industry of the Japanese Government, has drafted a bill providing for control of the country's foreign trade, revision of the law regulating the foreign trade associations and the establishment of a new tariff policy calculated to retaliate upon other nations which discriminate against Japanese merchandise.

Finance Minister Takahashi in a recent statement said that he had noticed that of late Japan's foreign trade is being increasingly hampered not only by foreign exchange, but by various discriminatory measures enforced by other countries, such as raising of tariffs, imposing of trade quotas, etc., and in order to cope with this uncertain situation, it seems necessary for Japan to possess some sort of weapon of defense such as to give the government power to control the tariff within a prescribed scope, so as to meet the emergency need.

Mr. Akita, the Speaker of the House of Representatives, has advised Premier Saito to have the Bill for the revision of the Election Law introduced at the next Session of the Imperial Diet.

The "Commerce Yellow Peril"

Germany is the latest European country to show serious concern over the steady influx of Japanese goods. The Japanese Ambassador in Berlin reports that a quota system on rayon imports has been adopted as one of the practical means of checking the influx. As such a method hardly affects the Japanese goods, the invasion of the European

markets by the Japanese goods is now being treated as a common menace to the whole of Europe, and a question among the white races. Cries of "yellow peril" are now frequently voiced in Germany. The consensus of the press views in Berlin warns the people against the danger of the steady ascendency of Japanese goods in German markets as well as elsewhere.

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The Japanese Government's outstanding balance for funded borrowings at the end of November was Yen 8,211,-523,000, according to a recent Finance Ministry report. This included Yen 6 387,890,000 in domestic indebtedness, Yen 1,421,210 000 in foreign loans, and temporary debts of Yen 100.000 000 for Treasury notes, as well as Yen 302,-423,000 for rice notes.

Foreign, Army and Navy Expenditures for 1934

The following are the annual expenditures for the next fiscal year for the Foreign, War and Navy Ministries.

Foreign Office:—Ordinary Accounts: Yen 16 954,613; extraordinary accounts, Yen 10,710,748. Total: Yen 27,665.361.

War Ministry:—Ordinary Accounts, Yen 168,656,052; extraordinary accounts: Yen 280,514,094. Total: Yen 449,-170,146.

Navy Ministry:—Ordinary Accounts: Yen 199,337,-475; extraordinary accounts: Yen 288.534,188. Total: Yen 487,871,663.

The lastest "best-seller" in Japan, a book written by Lieutenant-Commander Tota Ishimaru, a retired Japanese naval officer, says: "History tells us that armaments alone do not suffice to safeguard a nation. Military despotism ruins a country."

The Communist's Wife and the Diplomat

The *Kobe Shimbun* says: "While the authorities are very nervous because of the astounding activity of spies, the First Secretary of the Embassy of a certain country has apparently been raising their suspicions to a still higher pitch by his frequent visits to a 22-year-old Japanese woman patient undergoing treatment at the Shonan Sanatorium at Zushi. In view of her being the wife of a certain important Communist now in prison, the authorities of Kanagawa Prefecture are said to be trying to make her confess everythi g connected with the visits of the diplomat. but so far in vain."

A Determined Woman-Communist

After twenty days' hunger strike in the detention room of the Metropolitan Police Board, a woman-Communist Kazuko Kamibayashi, a daughter of a professor at the Kobe High Technical School, commenced to take food. Before going on hunger strike, she had been examined by the police for five months during which time she spoke not a word.

A Lover of Peace in the Army

Tadao Noda, a second private of the Matsumoto Infantry Regiment, pleaded guilty Dec. 14 of connection with Communistic activities in the army. He secured regular membership of the Communist Party, and is alleged to have propagated the anti-war idea among his fellow-soldiers while at the front in North Manchukuo.

Wholesale Sentences on Korean Communists

Sentences ranging from one year's imprisonment to capital punishment were passed at Seoul (Korea) Dec. 21 on the 261 men involved in the communist case which was started at Chientao in 1930. Twenty-two men were given the death sentence, while 20 others received life imprisoment. Sixteen were found not guilty. The others received sentences ranging between one to 15 years' imprisonment. Most of the defendants were Koreans.

The *Asahi* reports "new revelations" in Communism, namely the smuggling of opium in order to raise funds for the cause. A fortune-teller is involved in the incident. He is accused of helping two Leftists by concealing the opium for them for a season. One of the two arrested Communists was sentenced to a term of imprisonment for Communism in 1931, but was granted stay of execution of sentence. He has been an art student, and his principal offence appears to be that he contributed four thousand yen, which he inherited from his father, to the Communist Young Men's Alliance.

Communism in Korean Primary Schools

Some details of a Communist case in which a number of Korean primary school teachers are deeply implicated were given in a recent Fusan dispatch to the *Mainichi*. The plan to Bolshevise the primary school children throughout the peninsula was laid down early in August last year when Kin To-ei, a primary school teacher in Kanan district, South Keisho province, and several of his school mates, who are also primary school teachers, met at a certain hotel at Masan. On January 2 and 3 this year, these leaders met again and formed the organising committee of what they styled the Council of Red Educational Workers. The manifesto, declaration, resolutions and platform of the new association were drawn up and distributed among their friends in Fusan and other places. Besides imparting Red ideas to school children, they have been trying to disseminate Communist ideas among the members of the local young men's associations and female operatives at a big rubber factory at Fusan.

The press ban was removed at Dairen, Dec. 16, on the arrest of 53 Communists in Manchuria and the Kuantung Leased Area during October. The Police announced that 36 of the prisoners have been sent to the Dairen District Court for trial. It is alleged that they organized a special branch of the Chinese Communist Party in Dairen during May, 1931.

Scope of Japanese Intelligence Bureau Is Enlarged

Following his assumption of the office of the Chief of the Intelligence Bureau in the Tokyo Foreign Office, Mr. Amo has divided same into three sections: The first section will be in charge of affairs pertaining to press, news agencies and radio-broadcasting, the second section will look after the intelligence work other than that in the first section, together with magazines, pamphlets, books, Japanese lectures in foreign countries, photographs, cinema films and others, for the enlightenment of foreigners on matters Japanese, and the third section will handle sundry affairs as well as the task for the propagation of knowledge on foreign diplomacy and for the guidance of public opinions, in Japan.

Japanese Fear a "Red" Szechuen

The steady accretion of Communist influence in Szechuen province and its possible consequences are regarded with deep concern by the Japanese military authorities, says the *Osaka Asahi*. Now that the Bolshevisation of Szechuen has become a certainty, the Japanese military authorities are watching the future activity of the Communists with grave concern. They believe that the complete Bolshevisation of Szechuen will doubtlessly bring the troops in Shensi into the Red camp, since the Shensi troops have already many Red staff officers.

Indo-Japanese Negotiations Approach Satisfactory Conclusion

Reporting at the regular session of the Cabinet Council Dec. 22 the Japanese Foreign Minister, Mr. Hirota, intimated that the Indo-Japanese negotiations now going on in New Delhi will lead to a satisfatory settlement at no distant date, though there a few questions still remained unsolved between the two parties.

A member of the Indian Government introduced in the Legislative Assembly Dec. 21 a bill amending the tariff and imposing minimums of specific import duties applicable uniformly to all foreign countries. The bill avoids as far as possible an increase in ad-valorem duties on goods which do not threaten Indian industries. Textiles are omitted, as they are still the subject of discussion with the Japanese.

It was reported in Tokyo, Dec. 24, that the Japanese official delegation to the Japan-India Trade Parleys in New Delhi is busily engaged in the drafting of a protest to the Indian authorities against the bill for the Indian Custom Tariff Revision, which was introduced for discussion in the Indian Legislative Council. The revised tariff came into force as from Dec. 23.

According to a report reaching the Tokyo Foreign Office from Mr. Matsuyama, Japanese Commercial Councillor in London, the British Delegation to the Anglo-Japanese Trade Parleys has recently expressed a desire for an early opening of the proposed parleys, in order to alleviate the hardship which the British official circles concerned would experience from the pressure that might be caused on them by the British industrialists.

General O'Duffy Arrested in Ireland

General O'Duffy was arrested at Westport, County Mayo, Ireland Dec. 17. The arrest caused a profound sensation in the Irish Free State. He and his two companions were detained all night in the Westport police barracks. They were later brought to Dublin and lodged at Arbor Hill military prison. No charge has yet been formulated against them, but presumably it will have reference to their wearing the blue shirt.

The Chronology of Manchukuo

The following chronology of events in Manchuria, commencing with September 18, 1931, is re-published for information and future reference.

1931

Sept. 18, 1931 10.30 p.m.—Japanese army began military operations at Mukden, claiming Chinese soldiers had been caught dynamiting track of the South Manchuria Railway, Japan's most vital possession in Manchuria.

Sept. 19—Japanese occupation of Mukden completed; Japanese occupied Changchun.

Sept. 21—First Japanese reinforcements crosed border from Korea into Manchuria; Japanese occupied Kirin. China appealed to League of Nations for aid and redress.

Oct. 3—Japanese army headquarters in Manchuria announced that Marshal Chang Hsueh-liang, former ruler of Manchuria, would not be permitted to return to that country.

Oct. 8—Japanese military aeroplanes bombarded Chinchow, seat of the Chinese provisional government of Manchuria.

Oct. 13—League Council met to consider the Manchurian crises.

Oct. 16—Council invited America to send an observer to the Manchurian debates.

Oct. 20—Secretary of State Stimson called attention of Japan and China to their obligations under the Kellogg-Briand Treaty.

Nov. 4—Fighting began on the Nonni River between Japanese troops and the forces of General Ma Chan-shan, acting Chinese Governor of Heilungkiang province.

Nov. 18—Ma Chan-shan defeated and Japanese entered Tsitsihar, capital of Heilungkiang Province.

Nov. 27—Japanese army advanced toward Chinchow, but drive was suddenly halted next day by orders from Tokyo.

Dec. 10—League Council adopted resolution creating Commission of Inquiry.

Dec. 28—Real Japanese offensive against Chinchow launched.

1932

Jan. 2, 1932—Japanese occupied Chinchow, which Chinese evacuated without a battle.

Jan. 28—Japanese-Chinese hostilities broke out in Shanghai.

Feb. 5—Japanese expedition under Lieutenant-General Jiro Tamon occupied Harbin.

Feb. 20—Japanese army launched big offensive at Shanghai.

Feb. 29—The League's Inquiry Commission (Lytton Commission) reached Japan and began six months' labors.

Mar. 1—Independence of Manchuria, henceforth called Manchukuo, declared at Mukden, ostensibly by group of Chinese leaders.

Mar. 3—Success of Japanese offensive at Shanghai terminated major hostilities in that region.

Mar. 9—Henry Pu-yi, former "Boy Emperor" of China, installed at Changchun as "Chihcheng," or "Chief Executive," of Manchukuo.

Mar. 11—League of Nations Assembly adjourned after adopting resolution binding members not to recognize any situation brought about by means violating the Kellogg-Briand Treaty.

Apr. 21—Lytton Commission, after travelling through Japan and China, reached Mukden and began investigation on the spot of the Manchurian situation.

Apr. 30—Lytton Commission telegraphed from Mukden its preliminary report to Geneva, simply outlining existing military situation in Manchuria.

May 1—Japanese army began large-scale campaign along the Sungari River and in North Manchuria against various guerilla forces, including command of General Ma Chan-shan, again opposing the Japan-Manchukuo regime after three months of seeming allegiance thereto.

May 5—Armistice signed between Japan and China in Shanghai hostilities.

July 4—Lytton Commission made second visit to Tokyo, which lasted 12 days and showed clearly wide difference between points of view of the Commission and the Japanese Government.

July 15—Lytton Commission left Tokyo, returning to Peiping to write its report.

July 27—Japanese sent out erroneous report that General Ma Chan-shan was killed in battle north of Harbin.

Aug. 8—General Nobuyoshi Muto, in ceremony before Emperor of Japan, installed as new Commander-in-Chief of Japanese forces in Manchuria, Envoy Extraordinary in that territory and Governor of Japan's Leased Territory of Kwantung.

Aug. 20—General Muto left Tokyo for Manchuria, bearing with him draft of Protocol whereby Japan proposed to accord recognition to Manchukuo.

Sept. 4—Lytton Commission, at Peiping, concluded and signed its voluminous report and its members started for home.

Sept. 15—Japan-Manchukuo Protocol concluded ceremoniously at Changchun, Japan recognized independence of Manchukuo and assuming responsibility for internal and external defence of that State.

Sept. 20—Dr. Heinrich Schnee of Germany, first of the Lytton Commissioners to return home, reached Berlin and reported to the German Government.

Sept. 22—Text of the Lytton Report reached Geneva and preparations begun for its publication and distribution.

Sept. 30—The Earl of Lytton, Chairman; and Major-General Frank R. McCoy, American member of the League's Commission, returned to Geneva.

Oct. 2—The report of the Lytton Commission published.

Nov. 21—Council of League of Nations met to discuss Lytton Report, presided over by Eamonn de Valera of Irish Free State, Y. Matsuoka represented Japan, while Dr. Wellington Koo spoke on behalf of China.

Nov. 28—League Council voted to refer the Manchuria issue to a special meeting of the League Assembly.

Dec. 1—Japanese Forces launched a general offensive on General Su Ping-wen in North Manchuria.

Dec. 5—General Su Ping-wen defeated and took refugee in Soviet territory.

Dec. 6—League Assembly convened to deliberate on the issue referred to it by the Council.

Dec. 9—The Assembly Adjourned and shifted the issue to a special committee to be formed by the so-called Committee of 19 with recommendation of American and Soviet participation.

1933

Jan. 1, 1933—Japanese opened drive on Shanhaikwan.

Jan. 3—Shanhaikwan occupied by the Japanese after the city partially reduced to ruins by three days' intense fighting.

Jan. 10—Japanese occupied Chiumenkou Pass in Great Wall, important gateway to Jehol province.

Jan. 11—Manchukuo State Opium Monopoly, regulations of which were promulgated on November 30, 1932, officially came into operation with head office at Changchun.

Feb. 6—League of Nations Committee of Nineteen voted not to recognize "Manchukuo" as an independent state.

Feb. 17—T. V. Soong and Chang Hsueh-liang visited Jehol to encourage Chinese troops to resist Japanese invasion.

Feb. 21—Japan officially launched drive on Jehol by three routes.

Mar. 1—Japanese Government-owned and operated South Manchuria Railway signed contract with Manchukuo officials whereby Manchukuo hands over to Japanese complete control of all Manchurian railways, previously owned and operated by the Chinese Manchurian authorities. S. M. R. mileage increased from 650 to 2,816. Japanese announced intention also to take over Manchurian section of British-financed Peiping-Mukden Railway.

Mar. 4—Chinese defence in Jehol collapsed, Chengteh, capital of Jehol province, fell into Japanese hands. Tang Yu-lin, Governor of Jehol, deserted city on previous day.

Mar. 8—General Chiang Kai-shek arrived at Paotingfu near Peiping from Kiangsi to reorganize North

China defense. On same day, Chang Hsueh-liang tendered his resignation to the National Government, holding himself responsible for loss of Jehol.

Mar. 9—Chang's resignation accepted by General Chiang Kai-shek at conference held at Paotingfu.

Mar. 9—General Chiang Tso-lin, Minister to Japan, recalled by Chinese Government, arrived at Shanghai.

Mar. 10—Chang Hsueh-liang issued circular announcing his resignation and retirement from political life.

Mar. 10—General Ho Ying-ching, Minister of War, appointed by the Government to take over the North China Command.

Mar. 12—Chang Hsueh-liang arrived at Shanghai by airplane.

Mar. 26—Agreement between Japan and Manchukuo signed at Changchun, under which all electrical communications facilities in Manchuria were handed over to the so-called "Manchukuo-Japanese Joint Stock Company" controlled by the two Governments.

Mar. 27—Japanese Government officially withdrew her membership from the League of Nations.

Apr. 6—Japanese troops moved on Chinwantao and began advance to Luan River considerable distance south of Great Wall.

Apr. 10—Manchukuo, with Japanese backing, issued ultimatum to Soviets demanding return to Manchuria of engines and rolling stock of Chinese Eastern Railway which Soviets had withdrawn to Siberian side of border. Soviet Government rejected utlimatum; Japan withdrew troops from Jehol front, transfered them to Harbin and Tsitsihar.

Apr. 11—Chang Hsueh-liang departed from Shanghai for Italy.

Apr. 11—Manchukuo officials with Japanese backing cut railway communication between Manchuria and Soviet Russian territory by locking switches at Manchouli and Pogranictnaya.

Apr. 12—Official denial issued by the Chinese Foreign Office to report of alleged direct negotiations of China with Japan published in European newspapers.

Apr. 20—Japanese announced completion of railway linking Manchurian lines with those of Imperial Japanese Railways in Korea; interpreted as strategic move against Soviets.

Apr. 23—Japanese announced intention to withdraw their troops from Luan River and other parts of Hopei Province to Great Wall area.

Apr. 25—Serious fighting in vicinity of Kupeikow Pass resulting in heavy losses on both sides and Chinese withdrawal.

Apr. 29—Japanese gained first success in westward drive into Chahar and captured Dolonor, important city in Chahar.

May 2—Japanese War Office issued warning that any advance to Great Wall which was vacated by Japanese troops would be met with severe reprisals.

May 2—Japanese military reports charged Soviets digging trenches near Manchouli and alleged Soviet planes flying over boundary; Japanese also alleged Soviet troops mobilized at Chita and Irkutsk on Trans-Siberian line.

May 3—Manchukuo officials declared Chinese Eastern Railway not property of Soviets, that all rights surrendered to China in 1920.

May 3—Nanking Central Political Council anounced creation of a Political Affairs Readjustment Commission in Peiping to deal with Japanese aggression in North China.

May 12—M. Maxim Litvinoff, Soviet Commissar of Foreign Affairs, announced the Soviet Government's intention to sell the Chinese Eastern Railway to either Manchukuo or the Japanese Government.

May 14—Dr. Lo Wen-kan, Chinese Minister of Foreign Affairs, protested to the Soviet Government against the proposed sale of the C. E. R. as violation of the 1924 Sino-Soviet Agreements regarding the line.

May 15—Luanchow, important city on the Luan River to the east of Tangshan City, captured by Japanese, thus increasing the tension at Tientsin.

May 20—New "nickel" coins placed in circulation in Manchuria by the Central Bank of Manchukuo.

May 23—Announcement made in Peiping that temporary truce agreement had been reached between Japanese and Chinese military authorities, providing for suspension of hostilities. Japanese halted advance; danger of imminent capture of Peiping-Tientsin area removed.

May 31—Truce Agreement signed between Chinese and Japanese delegates at Tangku at 11 a.m., definitely putting a stop to the hostilities which had lasted intermitently for 20 months. The Agreement consisted of five conditions:

(a) Withdrawal of Chinese troops to a line designated by the Japanese.
(b) No Chinese troops permitted to cross the designated line in direction of Great Wall or to offer provocation to the Japanese.
(c) Japanese to ensure observance of these conditions by airplane reconnoissance.
(d) The area between the Line and the Great Wall to be administered by Chinese police.
(e) Armistice became effective on day of signature.

June 1—The Chinese Eastern Railway re-named "The North Manchuria Railway" by order of the Manchukuo Government.

June 5—Generals Ma Chan-shan and Su Ping-wen, who gained fame as defenders of Manchuria against Japanese aggression, returned to China after a forced sojourn in Russia and other countries in Europe for more than a half a year; arrived at Shanghai from Italy.

June 6—Japanese War Office announced the total number of Japanese casualties in the Sino-Japanese "Undeclared War" between September 18, 1933 and May 31, 1933, as 11,380 persons, including officers and soldiers. Japanese estimated Chinese losses at 222,000. including civilians.

July 2—Osaka *Mainichi* published official report from Changchun stating Manchukuo Government planned creation of state monopolies controlling following industries: Petroleum, coal, magnesium, ammonia, electricity, gold mining, alcohol, cement, breweries and distilleries, stock-farming, paper-pulp production, hemp, steel, motor-bus operation. Stated some industries while government controlled will admit minority private investment restricted to Japanese and Manchurians.

July 4—New agreement signed between Chinese and Japanese delegates at Dairen Conference in connection with the settlement of military situation in North China; terms not revealed.

July 17—Peiping Political Affairs Readiustment Commission under the Executive Yuan of the Nanking Government inaugurated with Huang Fu as chairman.

July 26—Soviet, Japanese and Manchukuo delegates held first conference at Tokyo in connection with the sale of the Chinese Eastern Railway to Manchukuo.

July 27—Field Marshal Nobuyoshi Muto, Commander-in-chief of the Kuantung Army and concurrently Japanese Ambassador to Manchukuo and Governor-General of the Kuantung Leased Territory, died at Changchun. General Takashi Hishikari, Supreme War Councillor and former Commander-in-Chief of the Formosan and Kwantung Armies, appointed his successor.

Aug. 13—Dolonor, strategic city on the border of Charhar and Jehol, after being occupied by General Feng Yu-hsiang's troops for over three weeks, was recaptured by a Japanese-Manchukuo force.

Aug. 14—Manchukuo authorities protest Chinese action in appointing magistrate in Hsinglung district located on northern border of Hopei province. Japanese claimed district 50-miles wide by 150-miles long belongs to Manchukuo. Chinese magistrate compelled to withdraw.

Aug. 26—Manchukuo Ministry of Foreign Affairs protested to the Soviet Consul-General at Harbin, Slavutsky, against alleged infringements upon territorial rights of Manchukuo by Soviet border guards.

Sept. 14—Akira Ariyoshi, Japanese Minister to China called on Wang Ching-wei at Nanking and conferred with him for two hours on the Sino-Japanese issues which gave rise to the rumor of direct negotiations between China and Japan.

Sept. 14—Japanese airbombers flew over Kalgan and dropped leaflets, threatening to blow Kalgan off the map unless Chinese troops were withdrawn from Kuyuan in Charhar which was occupied by Charhar troops following the evacuation of Marshal Feng Yu-hsiang's Anti-Japanese Army.

Sept. 15—Japanese Naval Landing Party in Shanghai completed new barracks in Hongkew district.

Sept. 18—Japan staged nation-wide celebration of the fall of Mukden two years ago.

Sept. 20—Gen. Feng Chen-wu, an adherent of Marshal Feng Yu-hsiang, organized another anti-Japanese movement in Charhar and began drive towards Peiping. Captured Hauijou, a city in Northern Hopei which was included in the so-called demilitarized zone of the Tangku Truce Agreement.

Sept. 21—Soviet's Assistant Commissar for Foreign Affairs in a note to M. Ohta, Japanese Ambassador to Russia, warned Japan to the effect that the Soviet Government held the Japanese Government directly responsible for the actions of the Manchukuo Government directed toward the violation of existing treaties with regard to the status of the C. E. R. and toward seizure of that railway.

Sept. 23—Japanese planes flew over Peiping and dropped handbills, warning Gen. Feng Chen-wu to evacuate the demilitarized zone. On the same day, the Japanese Kuangtung Army Headquarters issued ultimatum to Gen. Fang, demanding his evacuation from the demiliarzied zone before Sept. 26.

Sept. 27—Japanese scouting planes bombed from air Gen. Fang Chen-wu's Army, as the result of which Gen. Fang began withdrawal of his Army from demilitarized, ultimately leading to the collapse of the movement.

Sept. 27—Japanese force disarmed and expelled the Chinese railway gaurds and police from the port of Tangku, thus putting the Japanese in complete control of Tangku area which was internationalized under the Boxer Protocol of 1900.

Sept. 29—Dr. Wellington Koo addressed the League Assembly meeting at Geneva, calling attention of the delegates to the continued breaches of the League covenant by Japan and declared that this question must be settled in accordance with international law and treaty obligations.

Oct. 7—Gen. Araki, Japanese War Minister, suggested calling of a Far Eastern Peace Conference.

Oct. 24—A. Ariyoshi, Japanese Minister to China arrived at Peiping from Shanghai and began negotiations with Gen. Huang Fu, Chairman of the Peiping Political Affairs Readjustment Committee, and Gen. Ho Ying-ching, Chairman of Peiping Military Affairs Commission, on the Sino-Japanese diplomatic problem. Mr. Ariyoshi in his negotiations was later joined by Yotaro Sugimura and Maj.-Gen. Okamura, vice chief-of-staff of the Japanese Kuangtung Army in Peiping. The negotiations were reported to have included the following points:

1. Japanese navigation of the Luan River (which rises in Jehol and flows into the gulf of Chihli to the north of Tientsin).
2. Re-establishment of postal relations between North China and Manchukuo.
3. Re-establishment of through railway traffic between Peiping-Tientsin and Mukden, with an interchange of Chinese and Manchukuo guards at Shanhaikuan.
4. Demarcation of a boundary between North China and Manchukuo included the joint control of the passes in the Great Wall.
5. Re-establishment of land communication through the re-opening of the various motor-roads between Peiping and Jehol.
6. Establishment of Chinese and Manchukho Customs stations along the Great Wall.
7. Joint co-operation between China and Manchukuo in the maintenance of peace and order in the so-called demilitarized zone between Peiping-Tientsin and the Great Wall.

Oct. 29—Gen. Chiang Tso-ping returned to Tokyo to resume his post as Chinese Minister to Japan.

Nov. 7—Molotov, Chairman of the Soviet Council of People's Commissars, on the occasion of the anniversary of the Soviet Revolution, declared that Soviet Russia was fully prepared for any surprise attack by Japan.

Nov. 13—Peiping *Morning Post* published report that Gen. Araki had secretly offered to abolish the puppet state of Manchukuo if China would would enter into a military and economic alliance with Japan somewhat similar to present Japan Manchukuo protocol.

Nov. 17—United States and Soviet Union agreed to resume normal diplomatic relations; generally believed that Far Eastern considerations provided chief motive.

Dec. 5—Negotiations between Japan and Soviets dealing with sale of Chinese Eastern Railway to Japan or Manchukuo broke down and Soviet representative, M. Baryschnikov returned to Moscow. Negotiations started June 26 but broke down on matter of price, plus Soviet's publication of secret Japanese documents showing Japan's plans to seize railway.

Dec. 9—Ho Chieh-tsai, secretary to Peiping Political Council, stated in Nanking that all negotiations between Chinese and Japanese military representatives in Peiping had been suspended upon orders of the National Government. Sun Fo, head of the Nanking Legislative Yuan, made severe criticism of Peiping negotiations for resumption of railway traffic with Manchukuo and said the Peiping authorities had violated the orders of the Central Political Council.

Dec. 16—A mixed force of Japanese and Manchukuo troops began invasion of eastern Charhar. They have advanced as far as Chihcheng.

Dec. 17—Soviet Union sent Manchukuo first genuine warning on necessity of observing Russo-Chinese treaties pertaining to Chinese Eastern Railway which were signed in Peiping and Mukden in 1924.

Dec. 24—Tokyo *Nichi-Nichi* published report that Japanese military authorities drafting a new Japan-Manchukuo protocol, leading to belief Japan is planning fundamental change in status of puppet state, possibly creation of Manchu monarchy or outright annexation.

Chronology of Political Events in China

—1933—

Jan. 16—Sun Fo assumed office as President of the Legislative Yuan of the National Government.

Jan. 20—Legislative Yuan appointed Constitution Drafting Committee to draft a permanent constitution for China with Sun Fo as Chairman and John C. H. Wu and Chang Chi-peng as vice-chairmen.

Jan. 22—Marshal Tuan Chi-jui, former Chief Executive of China and leader of the Anfu Clique, arrived at Nanking from Tientsin at the request of General Chiang Kai-shek, thus allaying the fear of the Japanese plot to create an independent Government in North China with Tuan as figure-head.

Jan. 27—General Chiang Kai-shek left Nanking for Kiangsi to direct the Government's Communist Suppression Campaign.

Feb. 8—Notes exchanged between the Ministry of Foreign Affairs and the diplomatic representatives in China of the Foreign Powers concerned for the extension of the Agreement relating to the Courts in the International Settlement in Shanghai for three years from April 1, 1933.

Mar. 30—Wang Ching-wei, having returned to China from an extended trip in Europe because of disagreement with Chang Hsueh-liang in connection with the latter's policy of non-resistence against Japanese aggression upon China, resumed his office as President of the Executive Yuan of the National Government.

Apr. 7—T. V. Soong, Minister of Finance, appointed by official mandate of the National Government, as China's representative to participate in the Washington Conversations regarding world economic issues.

Apr. 9—Liang Shih-yi, well-known Chinese financier and formerly Minister of Finance of the Peking Government, died in Shanghai.

Apr. 14—Trial of Chen Tu-hsiu, Chinese Communist leader, who was arrested in Shanghai in Summer of 1932, was opened before the Kiangsu High Court in session at Nanking. Chen admitted opposing against the Kuomintang, but denied endangering the Republic.

Apr. 15—Wang Ching-wei issued statement, categorically denying the rumor that China had reached a compromise with Japan in regard to the Manchurian issue.

Apr. 15—Dr. H. H. Kung, former Minister of Industry, who had just returned to China from an extensive trip in Europe and America, succeeded T. V. Soong as Governor of the Central Bank, having been appointed to that post by the National Government some days ago.

Apr. 18—T. V. Soong departed from Shanghai for the United States aboard the Dollar Liner President Jefferson to confer with President Roosevelt on world economic questions.

Apr. 21—Dr. Wang Shih-chih, President of Wuhan National University, was appointed Minister of Education of National Government.

Apr. 22—Shih Ching-yang, Chairman of Mongolian and Tibetan Affairs Committee at Nanking, announced that a Mohammedan uprising was spreading Sinkiang as the result of the high-handed measures of Chairman Chin-shu-jen in dealing with Mohammedans. The uprising finally led to the overthrow of General Chin from his office and his departure from Sinkiang.

Apr. 28—General Huang Mu-sung, vice-Chief-of-Staff, appointed by official mandate of the National Government as Pacification Commissioner to Sinkiang. The power in Sinkiang, following the overthrow of Gen. Chin Shu-jen, had fallen into the hands of General Sheng Shih-tsai, a military leader from Manchuria.

Apr. 26—Chen Tu-shiu was convicted of treason against the state and sentenced to 13 years imprisonment by the Kiangsu High Court in session at Nanking.

May 1—Dr. Wang Shih-chih assumed office as Minister of Education at Nanking.

May 2—M. Bogomolov, first Soviet Ambassador to China under the Nationalist Regime, arrived at Nanking and presented his credentials to the Chinese Government.

May 11—Gen. Chen Ming-shu, former Minister of Communications and Commander of the 19th Route Army, arrived back at Canton from a trip in Europe.

May 19—T. V. Soong concluded economic discussions with President Roosevelt and issued a joint statement with him in which reference was made to disarmament and peace in the Far East.

May 19—The Southwestern Political Council issued a statement to the League of Nations and the representatives in China of the signatories of the 9 Power Treaty and the new Soviet Ambassador, protesting against any compromise that the National Government might arrive at with Japan based on the recogniton of Manchukuo.

May 26—Marshal Feng Yu-hsiang announced assumption of his new office as Commander-in-chief of the People's Allied Japanese Army in North China with headquarters at Kalgan to campaign against the Japanese invasion of Charhar.

May 28—T. V. Soong departed from United States for England to attend the World Economic Conference.

June 4—Announcement was made in Washington that T. V. Soong had signed on behalf of the National Government with the U. S. Reconstruction Finance Corporation an agreement of a loan of $50,000,000 in wheat and cotton.

June 5—T. V. Soong arrived at England from the United States.

June 7—The Central Political Council approved the American Wheat and Cotton Loan of U. S. $50,000,000 concluded by T. V. Soong with the U. S. Reconstruction Finance Corporation.

June 8—First Draft of the new Constitution of the Republic of China was completed and released.

June 11—T. V. Soong attended the opening of the World Economic Conference in London as chief delegate of China.

June 18—Yang Chien, noted Chinese scholar and scientist and general-secretary of the Academia Sinica, was murdered in Shanghai.

June 23—The New Administrative Court began to function at Nanking with Mao Tsu-chuan as President.

June 24—Gen. Chiang Kai-shek and Wang Ching-wei issued joint statement from Kiangsi, appealing for national solidarity against the Communists. The statement was the result of a long conference held at Kuling and attended by many high government leaders—known as Lushan Conference.

June 24—An attempt to assassinate Admiral Sheng Hung-lieh, Commander of the Pohai Naval Squadron and Mayor of Tsingtao Municipality, was made by a naval officer, but failed.

June 26—Three warships of the Pohai Squadron mutinied against Admiral Sheng. They departed without authority from their base at Tsingtao and sailed for Canton where they were incorporated into the Canton Navy.

June 13—Southwestern Political Council cabled to the United States Government, declaring opposition to the Wheat and Cotton Loan concluded by T. V. Soong on behalf of hte National Government. The telegram was signed by Tong Shao-yi, Hsiao Fu-cheng and Chen Chi-tang.

Aug. 13—T. V. Soong sailed from Seattle on President Jefferson for China.

Aug. 14—Marshal Feng Yu-hsiang gave up his anti-Japanese movement in Charhar and retired into Mount Taishan, Shantung.

Aug. 25—Dr. Lo Wen-kan, Minister of Foreign Affairs and Minister of Justice, who had been appointed by a mandate of the Government as Special Commissioner to Sinkiang, departed from Nanking for Tihua by air.

Sept. 3—Lo Wen-kan arrived at Tihua, Capital of Sinkiang.

Sept. 5—T. V. Soong arrived back at Shanghai from his trip abroad.

Sept. 5—Lo Wen-kan discussed with General Sheng Shih tsai and Liu Wen lung (the latter Chairman of Sinkiang) the situation in Sinkiang and urged cessation of hostilities between Gen. Sheng and the Mohammedan Commander, Gen. Ma Chung-ying.

Aug. 26—Tibetan tribesmen invaded and captured Chungtien, an important border district of Yunnan.

Sept. 14—Gen. Liu Wen-hui of Szechuan reported to the Government that Tibetan troops of Dalai Lama renewed attack on Sikong.

Sept. 20—Gen. Fang Chen-fu, an adherent of Garshal Feng Yu-hsiang, organized an anti-Japanese movement in Charhar and drove down toward Peiping. Captured Hauijou, a district in

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The Chinese National Government, 1933: A Critical Year

BY LU YEN-YING (盧延英)

WITH the advent of 1934, China's political progress will reach another landmark. Many of the events born in 1933, however, are history still in the making. Casting their shadows before in 1934, they are pregnant with poiltical consequences. Before we court the dawn of the new year, therefore, it is fitting and proper for us to adjust our historical sense by taking a panoramic view of the endeavors and projects of the National Government.

The events crowding into the past twelvemonth are multitudinous, taking place in the colorful, kaleidoscopic forms of conferences held, resolutions adopted and pledges unredeemed. Lowering over the first quarter of 1933 was the national crisis, which was intensified with further Japanese military aggressions and was only abated with the signing of the Tangku Truce on May 31. But even then the Government has managed to push on an anti-Communist campaign hand in hand with measures of economic reconstruction. Between hours of heated uneasiness in resisting Japanese aggression and hours of busy application to administrative or legislative work, the Nanking officials would scurry off to out-of-town conferences in order to thrash out certain political issues. All these give one the impression that the leaders in 1933 have been nervously active, conscientiously performing their public duties. We must agree with the President of the Executive Yuan in saying that "the Government has buried its head in hard work and poverty."

Changes for Administrative Efficiency

The system of government by committees, councils and commissions shows no sign of flagging in 1933. Indeed, all the functions of the Nanking Government have been pigeon-holed in a multitude of these corporate organs, besides the five Yuans and ten Ministries. In managing the various posts, the Government leaders are prompted by an admirable, though rather amateurish, confidence in their own ability to do most things. So the practice of holding concurrently several posts seems to be still the vogue in 1933. A former Minister of Education now fills the post of Minister of Communications. The President of the Legislative Yuan was formerly Minister of Railways. The Finance Minister acts concurrently as Vice-President of the Executive Yuan, while the President of this Yuan has been diverting himself with matters of diplomacy in the Foreign Ministry. This amateurish handling of responsible positions with no regard to special training or profession is also a feature of the various commissions. A high official may be made a member on several of them, and generally they are presided over by more or less the same government notables.

This system of government undoubtedly has the advantages of corporative planning and joint control and responsibility. It also affords a wide scope for the inclusion of all talents, together with expert service. The tendency towards "government by profession" may be noted in some commissions on which eminent economists, industrialists and bankers are appointed for tasks for which they are well qualified. On the other hand, as the creation of the various commissions has been done on the basis of a too nice division of governmental functions, it tends to make the administration too bureaucratic to be efficient and rational. Duplication or overlapping of its functions is the inevitable result. Not only is their performance diffused but is also hampered by a red-tape formalism. To mention just a few instances, over and above the Ministries of military Affairs and Navy stands the National Military Commission, and besides the Ministries of Finance and Industry, there are the Finance Commission, the Reconstruction Commission and the Economic Commission. To the layman, the ministries and commissions respectively sound akin and related, all dealing with business of like nature, or the same business in its different aspects. The functions of the one may well be performed by the other. The original idea underlying the creation of these commissions was that they are to serve as advisory and planning bodies, where the various ministries are to execute their plans. In practice, however, this ideal demarcation of functions is not so simple.

A cross-section view of the government administration along some lines reveals occasional conflicts of jurisdiction and tardiness through red-tape formalism. The "checks and balances" are distributed in such a complex structure of the Government that it has been rather difficult for some of its organs to function effectively. The sharing of legislative functions between the Legislative Yuan, the Standing Committee of the Central Executive Committee, and the Central Political Council not only renders the legislative procedure slow and cumbersome, but also may possibly bring on deadlocks between these competent organs. Moreover, when any proposal is strongly sponsored by the Executive, the Legislative Yuan generally thinks it expedient to commit nonfeasance and lay aside its power of reviewing or criticizing it. So we did not hear much of its comments upon the Tangku Truce, though it did get up a flurry, voicing but feeble protests over the Shanghai Truce of May, 1932. It was also alleged that the $50.000.000 American cotton and wheat loan was negotiated on executive initiative, and it had been an accomplished fact, before it was discussed and examined by the Legislative Yuan.

Furthermore, the efficiency of the Control Yuan has been much reduced through the round-about procedure of having its resolutions passed and acted upon by the Central Supervisory Committee as well as through its lack of "teeth" of its own for impeachment purposes. The only organs competent to mete out punishment to officials found guilty of misconduct are the Administrative Court and the Commission for the Disciplinary Punishment of Public Functionaries. But these organs, strangely enough, have been under the Judicial Yuan. For the execution of its impeachment proposals, the Control Yuan has to make cross-reference to other jurisdictions, thus rendering the impeachment process tardy or inoperative. It was therefore announced on July 10 that a revision of the organic law of the Control Yuan had been submitted for consideration to the Commtitee for the readiustment of administrative laws. It contemplated extending the powers of this Yuan by placing the two organs as mentioned above directly under its own control, thus furnishing it with "sanctions" to make its impeachment effective. This proposed change, together with another new law now under consideration for safeguarding the tenure of office for public functionaries during good behavior will certainly go far to make the civil service as stable as it is clean and upright.

Government in Conferences

The President of the Executive Yuan had occasion in 1933 to make a special reference to the red-tape inefficiency on the part of the government offices in transacting public business. As he had stated the case, the settlement of a matter which can be done with in a day or two is often delayed for weeks or even months; and this "lateness" has been due to sending public documents on "long excursion trips" with several "stopovers" through the course of cross-reference among the various office of interlocking competencies. The Executive Yuan, therefore, appointed on June 20 a Committee, representing several Ministries and Commissions, in order to devise measures for the remedy of this irrational and time-consuming procedure of handling public business. A scheme was formulated on August 15, and it required the enforcement of such proposals as the definite assignment of duty to certain parties, who are required to make reports from time to time, the formation of a standard defining the kind of communications that should be replied to, and the use of punctuation marks in public documents.

Government by discussion has been further exemplified by the Nanking Government in several important political conferences held in 1933. The leaders have made frequent trips to Kuling, Kiukiang, or Shanghai, either to take orders from the Chairman of the Military Commission or to lay their heads together in the private residence of some government dignitary. It is, of course, much easier to settle the weighty issues of state in informal, secret gatherings than in formal conferences in the Capital. But nevertheless these out-of-town trips of the Nanking dignitaries arouse curiosity

in the public and rumors in the press. It seems that whenever they scurry out of the Capital in a hurry or huff, it is often-times taken as a fair indication of an impending political crisis of some kind. Thus with their absence the political air of Nanking is a-flutter with rumor of changes in the Government.

The most noteworthy of such conferences was that held on September 5 at Kuling. Lasting only four days, it was attended by the heads of the Executive and Legislative Yuans, some Ministers and generals. Even before the conference opened, many canards about reshifting of personnel and change of foreign policy of the central government got round in the press. But they have been persistently denied by the Government. Some changes, however, were decided upon at this conference, affecting the organization of some provincial governments. But of far greater importance was the adoption of certain major policies, which have far-reaching effects upon the economic and political development of the country.

The Postponement of the Fifth Party Congress

One of the decisions reached at the Kuling Conference was to postpone for one year the Fifth National Congress of Kuomintang delegates. This Congress should have been convened in November, 1933. It may be recalled that the Third Plenary Session of the Central Executive Committee in December 1932 had decided to convene the National People's Assembly in March 1935 in order to decide upon the Permanent Constitution. Subsequently, however, it was thought advisable to call this Assembly one year earlier, so that closer cooperation with the people might be secured with the inauguration of constitutional government. On April 2, therefore, the Government announced its intention to convene a Special National Congress of the Kuomintang on July 1, instead of November 1933, for the purpose of settling matters preparatory to the convocation of the National People's Assembly in March 1934. But both the Special Congress and the Fifth National Congress for November 1933 as enacted by the party constitution were postponed. The proximate reason was that the influential generals and members of the Central Executive Committee in the Southwest voiced opposition to the convocation of the Congress. They maintained that, since the Fourth National Congress in December 1931 had passed certain resolutions regarding Communist suppression and resistance to Japanese aggression, what was urgent was to translate these pledges into action; but there was no need to call another session of the Congress. It was further alleged that, Nanking being dominated by the "Blue Shirts," no useful purpose could be served by the convocation of the Congress other than increasing the powers of the Nanking Government. Since it would control the bulk of the votes, no free expression of opinion by the delegates could be possible .

The postponement of the Congress by the Nanking Government was a politic concession to avoid further disintegration in the Kuomintang, as well as to pacify the politicians in the Southwest. It even helped to avert dissensions among the latter themselves. In fact for Nanking, too, calling off the Congress was not without immediate advantages.

Preparation for Constitutional Government

As declared by Wang Ching-wei, the postponement of the National Congress would not affect the introduction of constitutional government. Even if the Fifth Congress had been held in November 1933, as he explained, there would not have been sufficient time for making adequate preparations for the People's Assembly in March 1934. So the Government thought it expedient to revert to the original plan, though the proposal to establish the People's Advisory Council had to be dropped temporarily. Then on September 28, the Central Executive Committee decided to convene the People's National Assembly in March 1935.

A great part of 1933 has been taken up with constitutional making. For a final draft of the constitution must be got into shape for presentation to the Assembly for adoption. The Government has shown special care in elaborating the process of drafting this most important instrument. A Constitutional Drafting Committee was set up by the Legislative Yuan on February 11, with Sun Fo as Chairman to prepare the draft. As recommended by this Committee, the work was to be completed in three periods. The period of study was entered upon on February 22 with research into China's constitutional problems and solicitation of public opinion, and was brought to a close on April 27. Then on May 1 the Committee started in on the actual work of preparing the First Draft, which was to last till June 30. With the general principles adopted on March 9 by the Committee as basis, the Special Committee of Seven worked out on June 8 a preliminary draft, marked with the authorship of Dr. John C. H. Wu. This draft, together with two others, was submitted to the Constitutional Drafting Committee early in June as groundwork for further discussion. Examination and revision of these drafts began on September 2, and was carried on till November 16, when they got through third reading, with amendments in wording fairly completed, at the 17th meeting of the Committee. After it is passed by the Committee, this revised draft will be the First Draft, which will be released for public criticism and further revision. It was decided on June 23 that the final draft should be completed by February 15, 1934.

The Resignation of T. V. Soong

Financial stringency formed an important factor in bringing about a political crisis at the latter end of 1933. For the last three years, the Government has been facing increasing difficulties in rehabilitating the national finance. With the function of budget-making dispersed in several organs, there has been actually no strict budget control. Then the government treasury has suffered the severest drain on account of the mounting expenditures, financing military resistance against Japan as well as the anti-Communist campaign. It is true that through the adept and resourceful management of finance by the Finance Minister, the balancing of the budget has been accomplished. But toward the latter part of 1933 the anti-Communist campaign, assuming a larger scale than ever, has made peremptory demands upon the national revenue. The Government has been faced with a monthly deficit of over $12,000,000. The only props available for sustaining the national credit have been the domestic loans raised from time to time till the Government found itself in indebtedness of above $1,300,000,000. With the American cotton and wheat loan earmarked for construction purposes only, more domestic loans had to be raised to finance the anti-Communist campaign. The grim financial situation was revealed on October 26, when it was reported that the Finance Minister was at the end of his tether in negotiating for more loans. Except the advance of $2,500,000 from the Chinese Bankers' Association, further credit was refused him, especially by the Chekiang financiers. On October 22 the Finance Minister resigned.

Inasmuch as it merely involved the change of an executive official, the resignation of T. V. Soong did not seem to have much effect upon the financial situation. H. H. Kung who succeeded him on November 6 declared that concrete plans would be devised for meeting the deficits, balancing the budget, and financing the campaign. More loans have to be raised still. But it is for political reasons that his resignation has attracted much public notice. As persistently rumored in the press, it was because of political and diplomatic, rather than financial, situations that he resigned.

Tendencies Towards "Authoritative Government"

Both centralization and extension of the Government's authority seem to have been indicated in the enlargement of the Economic Commission. It marked the first attempt to secure state control over national economic development with the provision of a central, technical, and coordinating organ. As is being done in Germany, Italy and Russia, this means that the Chinese Government is in for national economic planning as well. It may also be viewed as the first superimposing of the state authority over the economic life of the nation. Another executive proposal of the same trend was the amalgamation of the Ministry of War, the Directorate of Military Training, and the Headquarters of Chief of Staff into a single body under the control of the Military Affairs Commission. First proposed at Kuling Conference, this measure will extend the powers of the Commission so that centralized control over military affairs may be realized.

The coming note of the Nanking Government was sounded by T. V. Soong, when he stated in his Double-Tenth message to the *China Press* that "to-day we can no longer be so certain of the permanence of democracy. What the people are looking for is a unified program and a leadership strong enough to carry it out. To this end they are willing to subordinate all the other aspirations." Has China such a leadership now? Though this question is still hard to answer, we may conclude

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Fundamentals of the Far Eastern Crisis

BY LIVINGSTON HU

IN my judgment the fundamentals in the Far Eastern Crisis are, namely, China's Military Unpreparedness and Political Disunity, Japan's Premeditated Defiance of International Treaties for Peace and of World Opinions for the fulfillment of her Maritime and Territorial Plans for the mastery over the Western Pacific as well as over the Continent of Asia and the Rivalry among the Powers—America, Britain, Russia and Japan—in Navy and in Trade for the Maintenance of the Balance of Power in the Far East.

The greatest danger of China today is her tendency towards the direction of the least resistance by looking for shortlived solutions of her eternal problems, the preservation of her sovereign rights and territorial integrity, a product of military preparedness and political unity, on the eve of world's action on the Japanese atrocities in the Far East, at the expense of her national manhood which I deplore unconditionally and about which it is up to all the genuine patriots to appeal to the country to be "intelligently" prepared in time of peace as well as in time of war as the character of the next world war will be many times more devastating than previously because there will be "unrestricted use of every available weapon of violence" in addition to the latest invention of land and naval armaments and without any distinction between combatant and non-combatant principally in the air by aircraft, poison gas of such varieties as mustard gas, some unnamed gas capable of putting a whole nation to sleep for twenty-four hours, disease germs to be distributed from airplanes in glass globes and other unknown lethal weapons.

Briefly the Maritime and Territorial Plan of Japanese War Party Strategists envisioned the ultimate control of the entire Pacific and Asia thus including of course all the islands in the Pacific north of the Equator as far as Philippines and all of these islands above the Equator and even California to say nothing about its encircling movement to enclose vast sections of Asia into the Japanese Empire (examples, Korea and Manchuria) and then westward into Mongolia and then southward through Tibet and on down to the borders of India which, when completed, would evidently encroach upon vital spots of America, England and Russia in the contemplated area of the said Japanese Plan.

Two-Faced Japanese Diplomatic Policy

It would be exceedingly amusing to note the two-faced Japanese diplomatic policy towards China and towards the other nations of the world in view of her knowledge of the on-coming of the more intensified trade rivalries among the nations against her after her withdrawal for the League of Nations, the failure of the world Economic Conference and the American recognition of Soviet Russia, to say nothing about the existing international-political rivalry in her disfavor which, briefly stated, would be Sino-Japanese Friendship or Alliance, leading eventually to the practice of an Asiatic Monroe Doctrine in the Far East for purposes of formation of an Asiatic Solidarity versus the White Consolidation. With reference to the Japanese general international diplomacy it is a policy aiming at safe-guarding her trade with foreign countries and at further expansion of her markets by concluding reciprocal commercial treaties separately with individual nations on the one hand and to fully complete an adequate national defense commensurate with a possible world offense against her.

I am sure that the time has come that the Powers are seriously concerned with the conquest of Manchuria by Japan through sheer force from two different angles, namely, the disturbance of the political equilibrium in the Far East and the establishment of a precedent for the rest of the world and it is due to this collective awakening of England, America and Russia to the follies of Japan in the Far East and to the importance of world peace that the said nations are adopting a tooth-for-tooth policy in armament and in trade at this eleventh hour to keep the most devouring aggressions of Japan in the Far East in check; otherwise it would be terribly expensive if this Manchukuo case should become the cause of another world war.

It is feared that the London and Washington Naval Treaties will not be renewed after 1936 since the declaration of Japan to demand parity with Britain and America at the said Conference and hence the beginning of this fierce Triangular Naval Race. America, for purposes of protecting her territorial and trading interests in the Far East as well as for the maintenance of world peace, and under such painful circumstances as inability to count on the two British ports—Singapore and Hongkong—as active defense in the Far East against the naval aggrandisement of Japan therein, impotency of the Navy of the Netherlands in the Far East and the ineffectiveness of French navy on account of the Franco-Japanese Agreement of 1907, is bound to build up her navy to the treaty limit as the American navy is not equal to the task at present with only one fort, Corregidor, at the entrance of the Manila Bay while the remainder of the Phillipines, Guam, Samoa, Midway Island, the Aleutians and some smaller islands are at the mercy of any one who might care to take them. The American navy was further weakened by the Washington Conference which deprived her of the right to fortify her Pacific possessions with a 5-5-3 ratio while England and Japan steadily built submarines, destroyers and cruisers and while Japan came out of the London Conference of 1930 with a higher ratio in cruisers and destroyers and a parity with England and America in submarines. Japan has been also accused of fortifying the former German Pacific islands—which she has no right to do under the mandate of the League of Nations—but now Japan is no longer a member in the League of Nations and thus she claims full title to all these islands so I cannot see how any one can gainsay her. The American naval position in the Western Pacific is far weaker than that of Japan because of lack of naval bases and because of Japan's proximity both to numerous bases and to American possessions and possessions of others and because of America's very long and exposed line of communcations for both munitions and supplies; but on the other hand the naval position of Japan in the Western Pacific is comparatively impregnable because of her fortification of the Bonin Islands and of the conversion of Port Lloyd to a naval air-base—portending the Japanese abandonment of the Ladrone Islands and other Pacific groups in 1935. The Chichijima base further strengthens Japan's naval position in the Western Pacific but its conversion into an air-base will be scarcely consonant with Article 19 of the Five-Power Treaty. Another painful thing about the American naval weakness is that the London Treaty strength for America, England and Japan is 10-10.1-6.4 respectively but England and Japan have built towards it to such an extent that at the end of the London Treaty—Dec. 31, 1936—the ratio will be England 13.2, Japan 12 and America 10. It was because of the above-mentioned painful situation that the American Government has decided to launch the largest naval building program in the history of the country.

Britain May Become Fifth-Rate Air Power

To-day the navy of England is shamefully reduced while she becomes probably a fifth power in the air. Her army was reduced from the prewar figure of 259,000 to 200,000, the Territorial Army reduced by 145,000, special reserve gone altogether and so had the Expeditionary Force. England needs 2,000 ships at any hour of the day to protect her 85,000 miles of sea route. In 1936 America would have 50 submarines, Italy 71, France 109 and England 41 but England thus becomes particularly vulnerable to submarine attack. Since 1914 Italy has increased her navy by 20%, America by 29% and Japan by 23%. At the end of the last world war England had 3,300 first-line air machines with best pilots and constructors in the world, but now France has 1,687 machines while England has only 706. England was authorized to spend £30,000,000, the lowest limit for her navy under the Treaty, but up to now she had only spent £8,000,000.

Since the Russo-American Rapprochement the horizon has become so clear that I can not see even the faintest sign of immediate war between America and Japan but I do see a host of indications of war between Soviet Russia and Japan. Anyway China has replaced her semi-resistance and semi-diplomatic policy with a tacit semi-surrender policy towards Japan with wisdom and with a cleaner conscience because our Government could not see with its natural eyes plus a most high-powered artificial aid any cause and any potency of war with Japan. I feel humiliated to see how Japan engages herself

so energetically in this armament race with the world with a view to counteracting each individual nation's opposition to her program of conquest in the Far East regardless of consequences to herself and to others while China, the sole victim of Japan, sits there tight with a sense of self-satisfaction.

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No Immediate War Between U.S.A. and Japan

The Second Naval Replenishment Program of Japan calls for 25 new warships of types regulated by Treaty, 11 vessels free from treaty limitations and eight additional air squadrons at an expenditure of Yen670,000,000 to be spread over a period of four years commencing with next fiscal year. The total cost of national defense in next year's budget, if approved, will amount to no less than Yen1,240,000,000. The First Naval Replenishment Program was sanctioned in March, 1931 providing an expansion of the naval air forces from 17 to 29 squadrons during the six-year period-1931-1937 thus giving Japan a total of 31 naval air squadrons by April of 1938. Japan has been always so generous in matters of armament—to wit—to have spent about Yen10,000,000 in about three months' time for annual grand naval maneuvers off Bonin Islands with 150 warships participating in those sham battles for training purposes.

Japan knows of her own national plight—social unrest on account of tottering finances—and the fact that the world is setting its eyes wide-open, especially Russia. Russia has far more than twice the land strength of Japan in a regular army of 562,000 men and 800,000 traineed resserves and has 2,200 fighting planes, far more than those of Japan, while Japan is stronger than Russia on the sea with a total tonnage of 706,371 against a total tonnage of 184,333 of Russia. Japan is also stronger than Russia in the air with 838 planes in the army and 801 in the navy against some 750 planes of Russia.

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The vigorously antagonistic Anglo-Japanese Trade Rivalry is a culmination of competition of the two Insular Powers in their craftiness of diplomacy, each trying to supersede the other in craftiness; but the facts amply proved at least a British diplomatic victory over Japan. Thus Japan exposed the wicked origin of the infamous and worn-out Anglo-Japanese Alliance initiated by Britain on account of her fear of Russia and Germany as her rival powers in politics and trade in Europe and Asia—which was partially responsible for the downfall of Russia and Germany in the last World War. The Anglo-Japanese Alliance was an alliance based on mutual expediency and somewhat "cannibalistic philosophy" of nationalism for the imperialistic purpose of monopoly of trade and markets and of naval supremacy in the Far East. England, as soon as her ambition was achieved, overthrew Japan in the Washington Conference (1921) by replacing the said Alliance with a tacit Anglo-American accord and the Four-Power Agreement-England-U.S.A.-France-Japan—thus dictating a naval ratio of 5-5-3 and strengthening the American position in the Pacific. In a way the discontinuance of this wicked Anglo-Japanese Alliance hastened the Japanese invasion of Manchuria.

Since this Anglo-Japanese trade rivalry has been started it is up to each of them to use its intelligence and ingenuity to devise its trade war tactics to beat the other. In response to the recent British- anti-Japanese activities there have been increases of import duties on cotton, rayon textiles by the British influenced Government of the Zanzibar Protectorate, Kenya Colony, Uganda Protectorate and Tanganyika Protectorate while reducing the ad valorem tariff to the British and French goods of the same kind, withdrawal of the British delegates from the tripartite trade conference at Simulato, the break-up of the Indo-Japanese Conference at New Delhi, opposition to the Tariff Armistice agreed upon by Britain and Japan on June 6 this year, India's sudden increase of her tariff to 75% (ad valorem) on Japanese cotton, increase of tariff on Japanese goods by Canada and Australia, House of Commons resolution demanding the abrogation of Anglo-Japanese Trade Agreement and restriction of Japanese trade competition in Britain either by high tariffs or embargoes and proposal of establishment of a customs union between Britain and her Crown Colonies and another proposal of closer cooperation between Britain, the Dominions and India and then an agreement to share the Colonial market with France, Belgium, Italy and a closer link with America; the Japanese have formed an Asiatic Anti-British League calling on the 400,000,000 people of China and 300,000,000 people of India to drive the British influence west of Suez and to emancipate the people of India from the "perfidious British," and the Osaka cotton men voted an anti-Indian boycott, or to put up against England, India, Australia, Canada and other part of the British Empire or Japanese prohibitive tariffs on both raw materials and with Turkish cotton. Practically England has aroused the whole world to unanimously put up tariff barriers against the Japanese. Britain believes it is a paradox of the industrial era that the former pupil has proved an efficient master which, being the attitude of the industrialists towards industrial Japan, is the essence of the British national mind and which is too odious, domineering and backward for this present-day world to tolerate and, which, if not corrected in good time, will spell the downfall of England and the ruination of modern civilization. I have no personal judgment to pass on this Anglo-Japanese trade rivalry because it is a case of Hobson's choice since both of them entertain a "grab all" policy towards other nations so whatever they do to each other's detriment only serves them right.

Russia's Return to Power in Europe

Prefaced by the American recognition of the Soviet Union Mussolini is holding a conference with Litvinoff, the greatest diplomat of the day, to discuss matters relating to disarmament, perfection of Russo-Italian friendship, improvement of Russo-German relationship, and possibly the Russo-Japanese tension in the Far East, which aims first at the replacement of the Four-Power Pact with a Five-Power Pact in Europe for the insurance of peace in Europe which, if done, would naturally admit Russia into the unity of nations in Europe. Russia from 1921 to 1933 has changed from a backward agrarian state economically dependent upon the industrial west to a stage of industrial autonomy and of solid foundations of economic self-sufficiency by socialization not only of industry but also agriculture and of the whole mechanism of distribution and sale of goods. The Czarist Empire fell largely because its armies were beaten by a power with a superior industrial equipment so the Bolsheviks are determined that their armies shall not suffer under the same handicap and they have an additional incentive, —the importance of the role to be played in the modern regime by the industrial proletariat by means of the collective farming, whose only drawback is management—but collectivization has justified itself as a system. The lack of transportation is one of the weakest links in the Soviet economic chain.

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It has been a very understandable situation to me that a series of Chinese revolutions had happened in China but none of them has ever agitated against the imperialism of France in China in spite of the French holdings in the Yangtsze Valley and in many other places in the interior of China to say nothing about the aggressive territorial designs of France on Yunnan and South China. I, therefore, wonder sometimes if it could be true that the best controllers of women are the most successful rulers of the largest empire otherwise there seems to be no reason for this long and natural Chinese acquiescence. I know definitely that on account of racial, economic and political difficulties it would be not only impossible for France to successfully inherit this Pan-Slav policy of Russia but would also aggravate the domestic disorders of Central Europe which is more Slavic than Latin if Latin at all.

Hold on District Magistrates to Be Tightened

The draft measures governing the registration of qualified district Magistrates—jointly submitted by Drs. Lo Wen-kan, Chu Chia-hua and Wang Shih-chieh, respectively Ministers of Judicial Administration, Communications and Education, and Kan Nai-kwang, Political Vice-Minister of Interior.—were adopted by the Executive Yuan Dec 12. The said measures will be enforced particularly for the provinces of Ninghsia, Kansu, Sinkiang, Kokonor (Chinghai), Charhar and Suiyuan, where most of the present district magistrates are not well qualified. Natives of other provinces possessing the qualifications of district magistrates and desiring to serve in the above-mentioned provinces will be invited to register.

Decline of Party Politics Accelerates Fascistic Trend in Japan

(By the Review's Tokyo Correspondent)

(Translations from various Japanese publications)

A STIFLING air now envelopes the political world of Japan. All publications, excepting newspapers, which generally treat temporary happenings, publish views of critics on the political situation of the country and its possible future course. The scribe has selected four leading magazines, namely, *Chuo Koron*, *Kaizo*, *Bungei Shunju* and *Keizoi Orai* and one popular magazine, *Yuben*, which, he is confident, are quite sufficient to represent public opinions on internal political situations and to give a general idea of where the country stands politically.

Japan's Political Situation Since the Five Ministers' Conference

(By Tsuyoshi Kikuchi, December Number of Keizai Orai)

Premier Saito's favorite book is on weighing dynamics to which, I hear, he is devoted in his leisure time. A critic says that this habit of his endorses that he upholds the politics of balance of power. There are in Japan various political influences, namely military circles, bureaucrats, Genro, political parties, financial cliques, etc. When any one of them oversteps a certain limit the balance of power in political circles is lost, followed by ripples or surges. The Saito policy is to balance all these influences, so as to prevent such unfortunate occurrences beforehand. Slow motion, for which the Premier is criticized, is a method needed for the execution of these tactics.

On October 3 the first meeting of the Five Ministers' Conference (among the Premier and Finance, War, Navy and Foreign Ministers) was convened and the fifth and its last meeting was held on October 20.

It was August and September that the largest political party Seiyukai (having 300 members), giving up the hope for rising in power, fell back upon the "Agreement on National Policies." Premier Saito had held Seiyukai cheap, but in view of the need for providing against the crisis of 1935-6 and the formation of the military budget in connection with the second naval replacement plan and other expenditures for national defense, he could not disregard the proposal. It was just at this time when the Premier and the Finance Minister were thinking of having a talk with the War and Navy Ministers on budget affairs. War Minister Araki called on them and soon afterward the Five Ministers' Conference was convened. It is noteworthy that at the close of each session General Araki never failed to declare, "I did not propose the opening of the Five Ministers' Conference in order to get an ample share of the Army budget; listen, the nation must prepare themselves for the possible outbreak of war in 1935-6 and all the state policies must be based on this point." Also, from Army circles a possible outbreak of war with Soviet Russia was constantly broadcast at about this time. When Gen. Araki made clear such insistences, Navy Minster Osumi is said to have kept silence. Admiral Osumi is said to have stuck fast to the absolute necessity for realizing the second replacement plan for the country to face the 1935-6 crisis. It is said that Finance Minister Takahashi told the men nearby, "We stand at the parting of the ways—toward military reign and otherwise." He must indeed have exerted desperate efforts. In the meantime, Germany's withdrawal from the League was reported, which gave the Foreign Minister sufficient time to speak in the conference, probably due to the Ministers' realizing the greater need of diplomatic activities. On October 18 a statement was made by the War Office after the close of the unofficial meeting of the War Councillors. The statement says, "The insistence made by the War Minister represents the opinions of the whole army. The entire army unites in support of the War Minister's insistence." The Government was alarmed. It was later learned that the statement was made by Lieut.-Col Suzuki, Chief of the Press Section, at the command of General Masaki. In this fashion the much-fussed-about Five Ministers' Conference came to a close. On the following day that is, October 21, a Cabinet meeting was held, at which the much advertised statement by the Foreign Minister was made. (The statement says: (1) World peace should be the foundation upon which international relations are established. The execution of our policy should be made through diplomatic means; (2) National defence must be carried out in such a way that we may receive no menace or contempt from other Powers and at the same time that it conforms with our national strength.) This is quite a commonplace statement. Nevertheless it is reported that at the Foreign Office they were so pleased with the result of the conference that the health of the Foreign Minister was drunk, whereas Araki left Tokyo on the following day for the grand military maneuvers in ill humor.

As the Five Powers' Conference made its progress Gen. Araki's discontent increased and in the meantime the oppressive power of the military circle began to be felt the stronger, brewing a rumor that the military circle would create a new Government. This at one time was even demonstrated with utmost plausibility. It is the much-talked-of movement for the union of political parties that put up its head at about this time. This movement by the political parties is, in a word, designed for taking back the reins of government into the parties' own hands.

At about the time of the Fukui maneuvers a rumor was afloat that Araki wanted to resign—upon the heel of which came the proposal of the Oriental Peace Conference. It seems Araki is tired with work. It so happened about this time that some 20 younger officers gathered heads and decided on pressing him for more efforts. Considering these circumstances, we find reason to be afraid that Gen. Araki may find himself made a butt of criticism. The Foreign Office flatly opposed the proposal for the opening of the Oriental Peace Conference.

On November 9 the Tokyo *Nichi Nichi* reported the withdrawal by Yosuke Matsuoka from the Seiyukai Party, which gave no meagre sensation to the public. The resignation from the party by Yosuka Matsuoka, whom, it is not too much to say, the people worship as a diplomatic warrior, must be a heavy blow to the Seiyukai Party. Not only Matsuoka but Chikuhei Nakajima, money-bag of the party, and Seiko Nakano are said to hold a similar view. At the back of this movement it is rumored the military circle maneuvers. Whether the group will be consolidated into one bloc or what kind of political course it may take is yet undefinable. Later, the sentence passed at the court in regard to the May 15 case has removed the uneasy clouds off the navy circles, but the position of the Navy Minister, from another viewpoint, is regarded as shaky.

Improvement of Political Parties and Upholding of Constitutional Politics

(By Kenkichi Yoshizawa, October Number of Chuo Koron)

We hear of the words "political party financial clique" mentioned of late. But are the Japanese political parties so bad as painted by the public? Financial cliques may also have done wrong, but generally they find themselves in a passive position, at least as far as their political relations are concerned. Compared with those of Europe and America financial cliques in Japan are in a far more pitiable situation, for they are squeezed by both public and private organizations and individuals, always receiving rebukes into the barganin. Are the political parties worst of all the organizations and classes in Japan?

Recently political parties have become the target of adverse criticism of the public. Seeing, however, that these criticisms were not so severe before the outbreak of the May 15 incident of last year (Premier Inukai, President of the Seiyukai Party was assassinated by young military officers), we have reason to regard the public condemnation of the parties we hear now as a vogue to a certain extent. What I wonder most is why it is that the political parties are keeping reticence under the pressure of public condemnation.

By way of reference I feel the need of adverting briefly to the reactions of the May 15 case upon Japan's politics. The outbreak of the Manchurian Incident is mainly due to China's anti-Japanese movement, but it is an undeniable fact that the discontentment entertained by part of the Japanese people towards the Government's weak-kneed diplomacy added fuel to the outburst. The words, "Extraordinary time" (非常時) came into existence after the May 15 Incident, probably meaning the time in which the outbreak of incidents such as the May 15 case are unavoidable. The varied statements made both by the military and civilian defendants, when given in a nutsaell, point out that the present politics of Japan is of an imported character and does not suit the country and that establishing a new politics under an able man is imperative. Besides, they unite in insisting on the necessity of the existing politics. The characteristic feature of

the statement made by the defendants connected with the military side is their belief that the motive to destroy the present politics can be traced to the London Disarmament Conference held at the time of the Hamaguchi Cabinet.

The newspaper reported the cases in which party members are connected with bribery scandals or cases in which they purchase votes or receive bribes. Such offenses are not confined to party men only, but this does not justify their following suit; as representatives of the people they should keep themselves away from such unlawful practices.

Is it proper to consider that, because the political parties have degenerated, the political structure of Japan ought to be changed? Even if the political parties have so helplessly drifted into error, the Constitutional politics should never be allowed to be trampled upon, when even Siam upholds it.

To change the structure of politics because political parties are rotten and because the Constitutional politics are of foreign origin and therefore unsuited to the country, is a case of "The remedy is worse than the evil." Of course there may be rotten members of Parliament, but they are the product of the people themselves; they represent the cultural standard of the people. I regret to find the development of the public morality lags far behind that of the private one in our country.

Put into a nutshell, the merit of Constitutional politics is a question of relativity; it is safer than despotic, feudal or military politics. The nation is duty bound to foster better Constitutional politics. A Fascist regime may appear, though temporarily.

Political Parties Are Dragged Along by Force of Circumstances

(By Jonan Inshi, December Number of the Bungei Shunju)

The question of the union of political parties is not of old origin, being born in the year before last at the time of the Wakatsuki Cabinet. The question has since frequently obscured its existence and has once again made its appearance in somewhat different color than it was hitherto. That the leaders of the political parties, which never meet without the exchange of abuse, have come to seriously take up the questions of cooperation or union among them and the fact that even the stubborn President of the Seiyukai Party, Dr. Suzuki, insists on the advisability of this step, indicates how the political parties are under the influence of the general trend of the time in our country. It is wrong to regard this movement of political parties as being solely due to the secret activities on the part of the Suzuki faction to rise in power.

This new movement developing before our eyes should not be considered in the same light in which we viewed various kinds of political movements started with a view to maintaining the influence of the parties; their leading members have now the tendency of being dragged along willy-nilly by the convenience of the general trend of the times. That the younger, clear headed members of the parties have begun taking up the question of unifying the parties, indicates that, in order to uphold in Japan the party politics a close cooperation of parties is the only way to make it possible. This tendency is equally apparent in the two main parties—the Seiyukai and Minseito. Nothing, however, has materialized out of such movement; the party men are, as it were, groping in the dark at the mercy of the general trend of the times. It is but natural that, when as at present the political situations are unsound and the shadow of the parliamentary politics is growing thinner, that the movement toward the union of political parties becomes intense At any rate, the movement has a dark future, unless Suzuki, President of the Seiyukai, quits his egoistic designs, for the sake of the country. I wonder whether he could satisfy this condition; hence the dark prospect for the political parties to put up their heads.

The Future of Political Parties

(Dr. Shinosuke Abe, December Number of Keizai Orai)

The late Premier Hara, President of the Seiyukai Party, believed in politics as power, while the late Premier Hamaguchi, President of the Minseito Party, made it an article of his faith that politics is justice. As a matter of fact, however no politics made up solely of power has ever lasted, while no politics relying merely on justice has ever been carried out. Confucius pictures the politics of the sage in the period of Yao and Shun, but it is after all the product of fancy.

The political parties of our country in consequence of their past wrong doings, have become alienated from public confidence. Compared with the injustice committed by the bureaucrats who took the rein of government before the party politics was founded, the arbitrary conduct of the parties is not so mercilessly to blame. Where there was power there have always been rotten practices. In view of this fact it is not merely because of wrong-doings that the influence of political parties has so helplessly waned. There must be some other equally basic reason.

The movement of the parties toward the formation of a union presents a tangled situation, due to diversity of the motive. From a broader point of view the movement should be understood as the evidence of the parties' self-reflection and the last resort for their self-protection. Figuratively speaking, the parties, while advancing to their goal, saw in not far distance a shadow of an enemy's forces, and upon realizing themselves confronted with a strong enemy, they have not only lost self-confidence to emerge victorious after crossing swords, but were paralyzed with fear. The first reason for the parties' attempting close cooperation among themselves this time lies in the hope that by so doing they may be able to put up a stronger front against this powerful enemy, while the second reason can be traced to the attempt to turn the public sentiment favorable to themselves by eliminating ugly conflicts among parties and by carrying out State politics from a broader point of view.

What then is the factor which is the most responsible for rendering so vital a blow to the parties? Putting it in a nutshell, it is the lost guiding power over the masses; without a guiding spirit politics never fail to perish. It is therefore but natural that the political parties, if left as they are, will undermine themselves. Even if they reform themselves like gentlement it would do little good to regain influence because the act of moral reformation has little to do with politics. Thus, it is a question whether the parties, by turning a new leaf, can restore their lost public confidence, just as an ex-convict is unable to regain his reputation merely by washing his hands of evil temptations.

Losing the democratic spirit, political parties, in collusion with capitalists, monopolized profit and made an enemy of themselves against the masses. Now they stand in a position to atone for what they have done; they should realize that the people would not be satisfied with a mere return of what the parties have stolen from them. Inasmuch as the parties would starve if they cut connection with capitalists, there is no prospect for the atonement by the parties; hence no means of salvation. This shows that the political parties are doomed sooner or later to ruin, regardless of whether they bind themselves up or not.

Prince Fumimaro Konoe, Speaker of the House of Peers

(By Tsunego Baba, December Number of Chuo Koron)

(Mr. Baba's essay on Prince Fumimaro Konoe is not exactly within the scope of the head-line, but the scribe, in view of the rumor that the Prince may succeed Saito, carefully translated a section which makes a chapter of its own independent of the rest of the body and which he deems helpful for the readers to grasp in which direction the political current runs in Japan.)

Prince Fumimaro Konoe, Speaker of the House of Peers, is an important figure in the political world because of the fact that Prince Saionji, the Genro, takes as great care of him as he does his own son.

He told me, "All visitors to him have the same questions to ask, for example; What is the opinion of Prince Saionji?—or whether he is contented or not, or the like. Indeed, I am almost disgusted with their monotonous inquisitions. Compared with them what the young military officers say is vivid and lively; they shoulder the State upon their backs. Leaving the right or wrong of what they remark out of consideration, I feel refreshed while listening to them."

This off-hand remark of the Prince reflects the actual state of the present political situation in the country. The political atmosphere of the country has turned extremely practical of late. Of course it is not wrong that the political parties attempt to rise in power, but the existence of those politicians who think of nothing but assuming the reins of government in disregard of ideals or principles, discourages us most. In this attitude of "practicalism," stuck fast to by the parties, there is nothing that stimulates the sensation of the nation. Politicians wrapped in such an atmosphere consider nothing but how to catch hold of a chance to rise in power, through ascertaining the Genro's bosom. Prince Konoe has also grown disgusted with such an attitude of the politicians.

Diametrically opposed to such an atmosphere in political partydom there are many young military officers who desire in good earnest to bring about renovation of the country, as has been evidenced by the various affairs that happened during these two years. The trend of their thought is progressive.

Outlook of the Impending War Between Soviet Russia and Japan

BY CHEN PIN-HO (陳彬龢)

(Continued from last week)

At last, the preparations on both sides have been consummated. Japan has practically suppressed all of the Volunteer Armies in Manchuria and has also completed a network of communications in this region. A so-called unified national policy has been adopted under the influence of the War Ministry. The only shortcomings are the comparative weakness of the Kwantung Army and continued enmity with China. Soviet Russia's preparations have been more satisfactory. They have stationed large forces in the Far Eastern District and constructed strong defence works at the frontiers. Her production of armaments and munitions have also been placed on a war time basis. Diplomatically, she has scored a sweeping victory by concluding treaties of non-aggression with many European Powers and, more lately, by resuming friendly relations with the United States. In a word, both sides have drawn their swords in readiness to go to a decisive war.

Not long ago, the Soviet government openly challenged Japan by publishing the secret documents concerning the Japanese plot to seize the Chinese Eastern Railway. Commissary V. Molotov delivered bellicose speeches on the occasion of the 16th anniversary of the U. S. S. R., denouncing the Japanese activities in Manchuria in unequivocal terms. As far as can be ascertained, the Japanese leaders have made no strong response to the Soviet attitude. It is believed that from now on the Soviet government will no longer adhere to a weak-kneed policy toward the Far East situation.

2. SOVIET RUSSIA'S POSITION IN MANCHURIA.

(a) *Geographical Relationship*:

Manchuria occupies, geographically and economically, an important position in the Far East, and has become, during recent decades, the scene of exploitation and struggle among world Powers—particularly Japan and Russia. The continental policy of Japan and the traditional tactics of the Czars following Peter the Great, are aimed at making Manchuria a base for the conquest of the Far East. Prior to the Russo-Japanese War, the entire area of Manchuria was under the influence of imperialist Russia; but, as a result of the war, Russia ceded to Japan the control of South Manchuria, still maintaining her strong grip upon North Manchuria through the Chinese Eastern Railway. Following the Russian Revolution of 1917, the Soviet government declared its intention of abandoning all privileges and interests seized from China during Czarist regimes, but has continued to maintain its claim of authority over the Chinese Eastern Railway.

Geographically, the Far Eastern District of Soviet Russia (formerly the Provinces of Morskaya and Amur) borders upon the eastern, northern and northwestern boundaries of Manchuria. Vladivostok, Khabarovsk, Blagoveshchensk, and Manchuli, the four Soviet bases of economic and military value in the Far East, are located along the Chinese-Soviet border. Vladivostok, the terminus of both the Trans-Siberian and the Chinese Eastern Railways, is the only commercial port and naval base of Soviet Russia in the Far East. Khabarovsk is situated on the Trans-Siberian Railway at the convergence of the Sungari and Ussuri Rivers, and is the important point of inter-communications between Chita and Vladivostok. General Vasili Blucher (alias General Galen), Commander-in-Chief of Soviet Russia's Far East Army, has established his headquarters here. Blagoveshchensk is located to the opposite of Heiho and occupies a keynote position in regard to North Manchuria. Manchuli is situated at the junction of the Trans-Siberian and the Chinese Eastern Railways and is a strategic point on the Chinese-Soviet border. These four important cities, located to the east of Chita, embrace North-east Manchuria in a semi-circle. In the event of war between Soviet Russia and Japan, the Soviet Army will probably operate from these four bases and attack Manchuria, so as to menace the Japanese position in that area. On the other hand, if the Japanese forces attack the four important Soviet bases and cut the Siberian Railway, it will not only interrupt the line of communications but also render the capture of these strategic points as a matter of course. Therefore, the struggle for the occupation of North Manchuria will be an important section of the impending war between Japan and Soviet Russia.

(b) *Question of the Chinese Eastern Railway*:—

The importance of the Chinese Eastern Railway has been shown by Soviet Russia's continued claim in spite of its declaration to abandon all interests and privileges acquired from China during Czarist regimes. This was testified by the Sino-Soviet complications in 1929 and the tension in the Soviet-Japanese situation following September 18, 1931.

The railway stretches out through the center of North Manchuria and serves a district of enormous economic resources. It is the main artery of North Manchuria. As the line connects Vladivostok with the trunk railway in Siberia, it also constitutes an important channel for Europe-Asia communications.

From a military standpoint, the Chinese Eastern Railway occupies a pivotal position, and will be the principal objective of the Japanese army in the event of war.

S. Hirata, a Japanese military critic, has declared that: "... ... When the Soviet and Japanese armies are engaged in major operations along the Great Khingan Mountain range, the Chinese Eastern Railway will be the main artery for troop movements and other military transportation. The main forces of Soviet Army will advance upon North Manchuria from the Baikal Lake district, while the Japanese army will establish their first line of defence along the mountain range."(From "Military Reader" by S. Hirata, chapter 7.)

The "loss" or "gain" of the Chinese Eastern Railway will decide the danger or safety of the Far Eastern District of Soviet Russia. If the line falls into Japanese hands, they will be enabled to move troops along the railway to the Sungari valley or the Heiho sector and attack the Ussuri Railway, so as to cut the communications between the Soviet forces at Vladivostok and Khabarovsk.

Following occupation of South Manchuria since September 18, 1931, the Japanese military forces have strenuously endeavored to seize the control of the entirety of the Chinese Eastern Railway. In the winter of 1931, when the Japanese forces were engaged in fighting with General Ma Chan-shan's troops, they occupied the Tsitsihar section of the railway; during 1932, the Japanese forces took Harbin in the course of military operations against the Railway Patrol Forces under Generals Li Tu and Ting Chou; still later, the Japanese Army instigated the puppet regime—"Manchukuo"—to seize the administration of the Chinese Eastern Railway; and towards the end of 1932, the Japanese forces again occupied Manchuli under the pretext of driving General Soo Ping-wen's volunteer army into Soviet territory. At present, therefore, practically the entire line has fallen into the hands of the "Manchukuo" of Japanese connivance.

As previously stated, the Soviet government endeavored, at first, to prevent the Japanese from occupying the section of the Chinese Eastern Railway lying to the north of Angangchi, through strong protests and representations. In view of the warlike attitude of the Japanese, the Soviet leaders modified their policy and recognized "Manchukuo" as *de facto* successor to the Chinese government's rights to the Chinese Eastern Railway. Further, inasmuch as the Japanese were decided to seize the railway, the Soviet authorities offered to sell the line. The conference for negotiations concerning the Chinese Eastern Railway took place from June 26, 1933 at Tokyo, but ended in deadlock after several meetings, due to wide divergence of the claims on both sides. As a matter of fact, this conference was actuated by a common desire to postpone the clash that seemed inevitable between Japan and Soviet Russia. In this connection, it is interesting to note that K. Otani of the South Manchurian Railway Company claimed that "the price of the Chinese Eastern Railway which penetrates through a corner of the 'Manchukuo' will probably be paid in bloodshed only." In commenting upon the Lytton Report, the Moscow "Izvestia" also stated that "the Chinese Eastern Railway, inherited from the Czarist regime, was built with blood and sweat of Russians, and

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the Soviet government has no right to give it away to a foreign country." From these utterances, it appears apparent that the complications concerning the Chinese Eastern Railway will never be solved unless by resorting to force of arms.

(c) *Question of White Russians*:

Subsequent to the Russian Revolution, the exiled White" Russians, numbering well over ten thousand, entrenched themselves along the Chinese Eastern Railway line, fomenting troubles from time to time. In 1924, the Chinese and Soviet governments concluded a pact of fifteen clauses, stipulating that except the business administration of the railway which was to be jointly undertaken by Chinese and Soviet officials, all of the rights concerning the line should be under the Chinese government. It was also stipulatd in the pact that "citizens of Soviet Russia and China alone are eligible to holding posts in the railway administration." Thus, the activities of the white Russians along the railway were partlv curtailed.

However, the white Russians have never stopped their dream. Thev have formed military and political organizations, participated in by a large number of ex-generals of the former Czarist regime and ex-Cossack soldiers. They awaited opportunity to present itself in order to restore the imperialist regime of Russia.

This opportunity seemingly arrived following outbreak of September 18, 1931 and Japanese occupation of North Manchuria; and the white Russians lost no time in launching a fresh and strong movement for restoration of imperialist Russia. Their first objective has been the establishment, with Japanes assistance, of a *buffer state* in the Far Eastern District of U.S.S.R. Some of these white Russians went even so far as to declare that "should they be assisted by Japan to recover Russia from the hands of the Bolsheviks, the area lying to the east of Lake Baikal would be willingly given to the Japanese as a gift." ("World Knowledge," Vol. 3 No. 3, September 1932, article entitled "White Russians and the Japanese-Soviet War" by C. Yoshimura.) For some time, G. Semenov, leader of the White Russian Army, went back and forth between Tokyo and Changchun to negotiate with the Japanese for the establishment of the buffer state in question; and, meanwhile, many white Russian ex-generals arrived in Manchuria from all parts of the world in order to participate in the movement. The white Russians wish only that the clash between Japan and Soviet Russia will take place on a large scale, so that they may fish in troubled waters.

For obvious reasons, the Japanese authorities have repeatedly repudiated the reports that they were aiding the white Rusians to establish a buffer regime. In this connection, there are quoted below a number of statements published by the organs of white Russians, indicating that the reports were not entirely groundless.

On January 6, 1932, the "Vozrojdenie" (white Russian organ published in Paris) carried an editorial stating that ".....Japan is carrying out her original plan and considers a clash with Soviet Russia unavoidable in view of her vital interests involved in North Manchuria. During such a clash, it is quite possible that a buffer regime of white Russians will be set up in the Far Eastern District of Russia. By then, the vast Russian territory will be placed under Russian, instead of Soviet, authority. This will be a first step toward emancipation of Russia from the abusive rule of the Communist Party, as well as a move for the elimination of the Bolsheviks."

Again, the "Harbinskie Vremia" (also white Russian newspaper, published in Harbin) published the following report of Ustroogin, Paris correspondent: "On the basis of the traditional policy of the Japanese government and the plan of the Japanese War Ministry, it is imperative that Japan will befriend the white Russians.....Following the Russian Revolution, the Japanese policy toward Soviet Russia underwent the following changes:—(1) period of assisting the white Russians; (2) period of upsetting the compromise between the Soviets and white Russians; and the present period of anti-Bolshevism due to Soviet officials' unfaithfulness and failure to meet the early expectations of Japan."

That the white Russians are earnestly anticipating the assistance of Japan is further depicted by the following newspaper extracts:—

"Vozrojdenie" (Paris), Oct. 10, 1932—"It is a foregone conclusion that the white Russians in Manchuria will pin their faith on Japan, because we believe that the Japanese occupation of Manchuria has been for the purpose of maintaining peace and order in this region. All white Russian residents of Manchuria are aware that should the Chinese, who are friendly towards the Bolsehviks, be able to eliminate the Japanese from North Manchuria, it will cause another bloodshed participated by the white Russians—the peaceful citizens who are unable to move from Manchuria to other parts of the world."

"World Knowledge" Vol. 3, No. 3, Sept. 1932—"White Russians and the Japanese-Soviet War", article by C. Yoshimura:—"The sacred fire is still burning inside of all white Russians desiring recovery of their fatherland from the abusive hands of the Bolsheviks. They are the 'crusade army' of the east, enchanting 'onward to Jerusalem' 'onward to Jerusalem'; and they are prepared to rise to the call of advance upon the 'Jerusalem' of the east. The tie of relationship between these Russians and Japan will be further fastened, as the Soviet-Japanese situation is drifting toward war. Meanwhile, the antagonistic feelings between the Red and the White Russians will also be permeated."

(To be continued)

Szechuen Government Troops Recapture Arsenal from Reds

(From the Review's Correspondent at Hankow)

The important city of Suiting, the chief arsenal in Szechuen, has been recaptured by the government troops after fierce fighting. News of the gallant fighting of the 5th Route Army under General Wang Ling-chi during the retaking of Suiting and Suanhan, strategic cities in northeastern Szechuen has just been confirmed in a telegram from Chungking. Major-General Hsu Yao-ching retook Suanhan city Dec. 17 while General Han Shao-tseng recaptured Suiting city on Monday morning, Dec. 18. One thousand troops, killed and wounded, were lost by the Szechuenese, while the losses of the communists were twice as many. Fighting of a serious nature is still in progress around Hsuahan city. The Reds are reported to have fled toward Tungkiang, northwest of Suanhan.

To relieve the suffering of the poor farmers and villagers in the districts recently recaptured from the Reds, General Liu Hsiang, commander-in-chief of the bandit suppression forces in Szechuen, has ordered the hsien magistrates to exempt them from payment of taxes for a period of two years. However, plans are on foot for replenishing the impoverished exchequer by taxing real estate owners. The plan as published in the local press, is to tax houses, the owners of which will be required to pay four months' house rent to the Anti-Red Military Fund. The law goes into effect on January 1, 1934.

Opium Tax for Anti-Red War Fund

Since this form of House Tax will not bring in a sufficient sum, each of the opium-cultivating districts will be compelled to pay a collective sum of $20,000, to the Anti-Red War Fund, in three monthly instalments, beginning with Jan. 1, 1934. As a special inducement to the magistrates in the various districts involved, who have been entrusted with the task of collection, five per cent of the total tax may be retained to cover their expenses. While the tax is called an Opium Fine, it nevertheless amounts to a tax in the last analysis. Thus in desperation the military leaders do not take time to reckon with the moral consequences of such a tax, but apply it because it is the nearest and most tangible method of securing the most needed hard cash to carry on the fight against their avowed enemies the Reds.

Honan Bandits Active Again

While Szechuen is celebrating the victories of their military forces in their thankless struggle against the communists, Kiangsi, Hunan, Hupeh, and Honan Red areas have nothing to report during this past week. The only disturbance reported is from south central Honan, east of the Peking-Hankow railway. About the 16th or 17th of Dec. two thousand bandits, (apparently not connected with any Red organization), engaged the government troops southeast of Juning city in serious battle. For a time the government soldiers, greatly outnumbered, were surrounded. Later with the advent of reinforcements, the bandits were driven off, escaping to the northwest of Juning city. The casualties were quite heavy on both sides. Whether this band is a newly organized one, or the resurrection of an older group, could not be ascertained. Aside from this slight disturbance no reports of bandits have reached Hankow of late.

(Continued on page 218)

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How Rural China Is Being Remade

BY EDGAR SNOW

(Continued from issue of Dec. 16)

Three kinds of integration are used in the robust new education at Ting Hsien. These are the school, where individual education is emphasized, the home, where the individual is taught as part of the family, and the group or community, where he is educated as a member of society, as a citizen of China. Through these channels the experimenters attack what they regard as the "four fundamental problems." The work falls naturally into four main divisions, each with a skilled educator at the helm.

University Trained Leaders

Thus, for ignorance—cultural education, under Cheng Jen, scholar, celebrated artist, founder of the National Art College, and under Hsiung Fu-hsi, already mentioned, helped by others. For poverty—economic or livelihood education, led by Yao Shih-an, Wisconsin graduate, by Wang Kuo-yu, Purdue graduate, by Chang Tien-fang, Japanese educated, all specialists in agrarian problems. For disease and physical weakness—public health education, headed by Dr. Ch'en Chih-ch'ien, Harvard, and a distinguished scientist. And for familism, or anti-socialmindedness, there is citizenship training, directed by Ch'en Chu-shan, revolutionary, once dean of the National Law University, holder of a *hsiu-ts'ai* degree from the old Imperial examiners.

Under cultural education are groups at work creating a people's art, drama, literature, and music, the last including the adaptation of radio to rural educational needs. Under public health are nurses and doctors in Ting Hsien's newly constructed hospital, and departments for the control of epidemics, the extension of health education to the masses, the training of village nurses and midwives. So, also, each of the other divisions has under it several branches of work, with specialists in charge.

Always, the fundamentally important task of research continues—"research for life's sake," says Dr. Yen, for the results are tested and applied in Ting Hsien. First, research to build a technique for solving the given problem; second, to develop a method of extending the truths learned; third, to evolve a system of training, so that the results of the Experiment may be learned by other hsien leaders, carried to other hsien inhabitants.

With so many ramifications, "Tinghsienism" has to be closely coordinated. The program must be kept unified, its aims centralized and controlled. Ch'u Shih-ying, Harvard doctor of education, once famous student leader, now devotedly absorbed in the movement, is responsible for that.

The pioneers at Ting Hsien sacrifice comfort, conveniences, and money, to carry on. Doctors, scientists, and educators are in great demand in China, and all of the staff regularly refuse opportunities for more profitable employment. The highest salary is about U.S.$100 a month, the average much less than $100 Mex. Workers there wear the garments of farmers. Many of them have had virtually to desert their families. They eat and live frugally; they ride bicycles, not in the politician's imported motor car. No special, expensive quarters are built for them; many dwell in the villages, in the huts of peasants.

With success, many offers have come to the creators of the Experiment from militarists and politicians in Kwangsi, Kwangtung, at Nanking, and in the north. They have tried to induce Yen to transplant the whole staff to their domains, with offers of liberal funds for the work. Courteously, such offers have been rejected. "Send your men to us and we'll teach them what we know," the regional militarists are told. Many accept. But "Tinghsienism," think the scientists who are making it, is too big a thing to be used for the political ends of any faction, any power temporarily at zenith. They think it has a social, economic and political destiny all of its own, too great to be risked on a warlord's future.

So it remains a private, and so far an unofficial undertaking. It is self-supporting to some extent. One source of income is from the sales of its "Thousand Character" readers and other mass education literature. Though such readers are sold at the equivalent of about one American cent each, sales have been so extensive that reyalties of about $10,000, Chinese, accrue each year. Other funds are secured from various contributors, chiefly Americans, and from the China Foundation, which derives funds from the returned Boxer Indemnity. The Experiment's total budget, considering the extensiveness of the tasks, is low.

Political and Social Reconstruction

Separate in structure from the Mass Education Association Experiment, but closely allied to it, is the Institute for Political and Social Reconstruction, which since last spring has controlled Ting Hsien's government. Its origin is interesting, but here it can only be related that Dr. Yen is responsible for it. Finding the Experiment's work everywhere handicapped by lack of political authority, he appealed to the men in power in Hopei, requested their support in establishing the Institute. His sound arguments convinced them, and he secured their consent. Nanking also concurred, nominating Yen for the presidency. He agreed—but only on the condition that he should receive no salary. He wanted to, and does, retain his freedom from political partisanship.

The arrangement provides for what amounts to the temporary independence of Ting Hsien. The Institute nominates officials, and supervises the administration. The incumbent magistrate, conscientious young Ho Liu-ting, graduate of Peabody College, has long been associated with mass educational work, and is one of China's outstanding educators. Besides being an able administrator, Magistrate Ho is head of the Division of Experimental practice of the Institute. Using the hsien for its laboratory, the Institute has three other branches of work: divisions of survey, of research, and of training. Its ultimate goal is to make the hsien completely self-governing.

"This year, through its control of the government," Magistrate Ho told me, "the Institutes is liquidating the remaining illiteracy among adolescent youth. It is extending 'distress education' on a hsien-wide scale, using drama, literature, posters, newspapers, radio, and other practicable means of securing popular support."

Completely reforming and reorganizing the government school system, the Institute is also increasing and unifying the village cooperatives. Local finances, long corrupt, are being deterged, and the government has been made "squeeze-proof" to an impressive degree. The police and militia systems have been modernized, and rank with the best; modern jails have been built. "Hence," says Dr. Yen, "because of the combination of the social studies of the Experiment, and the political authority of the Institute, it is possible for us to conduct a thorough research into all aspects of a complete hsien-unit reconstruction program, so that we can work out a new kind of political and economic system, specifically fitted to our national needs."

"Tinghsienism," as I have seen it functioning, seems to me the only scientific attempt yet made to evolve the kind of social order necessary if China is to survive as a nation. Its conculsions seem sound, and its experiments on problems yet unsolved appear to follow the inescapable logic of economic facts chiefly involved. But the tasks of extension of this work to other parts of China seem onerous. The Experiment has been criticized by many as impractical and expensive, because it is thought that such sums as are being spent to obtain results in Ting Hsien cannot be secured elsewhere. That is, of course, a superficial observation. It fails to comprehend the underlying aim of the work, which is that all components of this new "reconstruction education" being developed there, must be made to stand the test of economic adaptability, must be brought within the economic possibilities of the people. "Experiment is costly, naturally," Yen points out. "To find the cheapest technique is often expensive, but in the end it saves money for everybody."

Yet more substantial reasons for skepticism trouble the sympathetic observer. Most obvious is the problem of personnel. Yen has spent six years in carefully building up his staff at Ting Hsien; in every branch of work he now has exceptionally able men. But, multiply his problem a thousand times! Can China meet the demand? In Western countries, for example, there is a graduate physician for every 1,000 people, whereas in China there is not one in 80,000!

The Evolution of Communists

"True," replies Yen. "That is one of the problems that we have to solve. That is why we are working on a technique that will not require experts, nor Ph. D.'s, to be applied everywhere. We do not plan for ideal conditions, but for the realities of today; we build a system that will take hold, live and flourish under the

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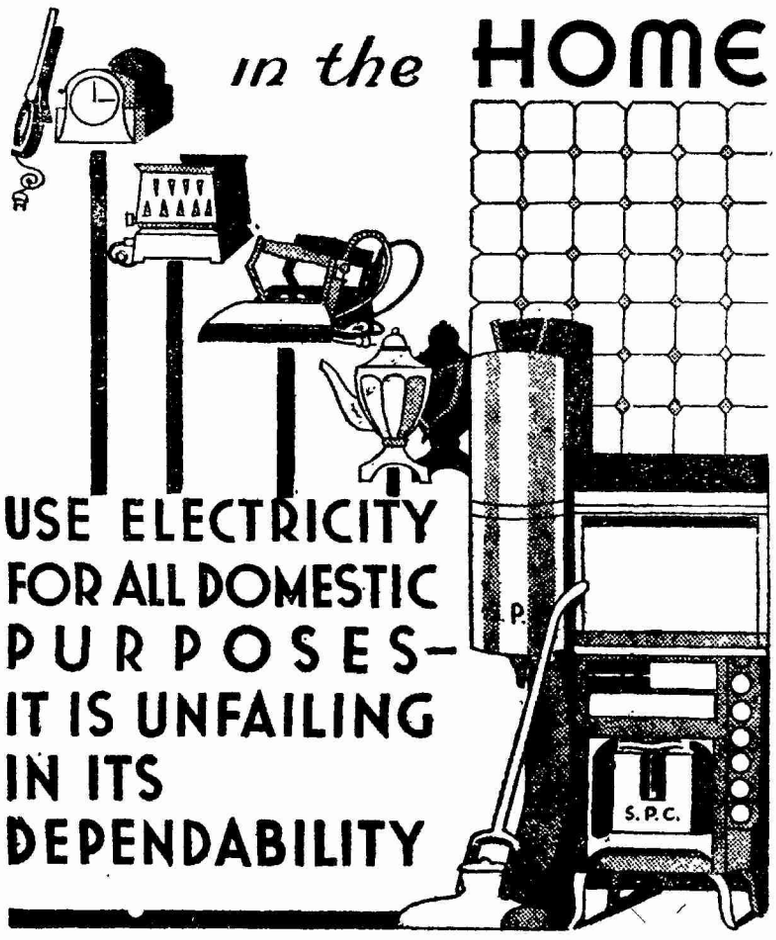

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present handicaps. As for personnel, the material is here. Among the thousands of mediocre youths leaving our middle schools and colleges every year there are also hundreds of young men and women rich in mind, vital, fearless, and alive. They need only contact with courageous and instructed tutors, they need the touch of regeneration. The more earnest and intelligent among them now become Communists, because Communism seems to them the only way out of our present difficulties. Well, we must win to our work just such youths as those. We must give them a new faith, based on belief in China's ability to work out her own future, without indiscriminate importation of alien formulae. We must give them an indigenous but workable program—and they will respond. Hundreds have already received training in the technique of Ting Hsien, and to some extent have carried it elsewhere. It is our hope that Ting Hsien will become the center for training mass education leaders for all of China."

But, descending to terra firma, one remembers that at present the economic and political power is held principally by militarists whose excessive demands are impoverishing the people, by money-lenders and pawnbrokers (among whom are many important officials) who collect from 40% to 80% annually, by official profiteers, political grafters, and so on. Will they cooperate with the spread of a movement which aims to eliminate, and in Ting Hsien is eliminating: usury, squeeze, bribery, nepotism, opium and heroin, child slavery, official profiteering in farm produce, and perhaps, in its logical course of development, the amassing of large private fortunes—for all of which the old casual way of life irrevocably stands?

"So far, so good," is Yen's answer. He is willing at present to remain evolutionary in ideology. "We have at least made a sound beginning. And it is necessary to be reminded that we are just beginning. We will meet new problems as they arise. I have ample reason to believe that there are enough honest-intentioned men among our political and even military rulers to cooperate with us in the preliminary spread of our work.

"At any rate, we can count upon the aid of the government in teaching characters to the masses—for it is to the benefit of the government that they be educated. More specifically, we intend to concentrate on the education of the 100 millions"—he emphasizes it—"China's 100 millions of illiterates between the ages of 12 and 25. Organized, enlightened, taught to act collectively and for a social purpose, they can remake this old land. Give us 20 years, give us even 10 years, and only a minimum of cooperation, and that vast group will begin to assert itself decisively in the construction of a new race, and something that for the first time may begin to resemble a modern nation!"

Yen has much more to say about ways and means of realizing his extensive program, if it fails to win official support. He strikes me as a man of resource and versatility, and events may shape him into a great leader of men. There is passionate sincerity and conviction behind his words, so that at times he seems more the revolutionary crusader, perhaps, than the evolutionary educator. It does not seem extravagant to say that the movement which he leads may in time become a revolution of far more puissant destiny than any march or counter-march of Chinese troops to which that term has been loosely applied in the past.

Peiping, Dec. 15, 1933.

Tibet After the Death of the Dalai Lama

BY C. Y. W. MENG (孟長泳)

THE Dalai Lama, the Buhhdist and secular ruler of Tibet, (Number "13" of the Lineage,) has passed away at the age of 58 (not 60, as often reported.)

According to a despatch from foreign sources, the late Tibetan ruler met his death at the hands of poisoners who were opposed to his rule in Tibet. But according to the Chinese reports, the Dalai Lama died a natural death. The Tibetans in Nanking, when interviewed by the writer, said that with the exception of the 11th Lama, all others (12 in number) died "not of illness." However, almost all Dalai Lamas, including the last one, had foreknowledge of their death. About two months ago, the Dalai Lama's Office in Nanking had already received an order from Lhasa to buy "many kinds of articles" which are generally used for the burial of the spiritual ruler.

Dalai Lama's Manifesto to His People

In May, 1932, the Dalai Lama, with a premonition of his death, issued a manifesto. in the form of an "advice" 訓辭 to his people in Tibet. A copy of same in the Tibetan language was sent to his Office in Nanking. The important points in the manifesto are as follows:

1. An account of his life history and his rule, telling how he worked hard for the welfare of the people.
2. Urging his people to observe the Buhhdist religion. It is because the Buhhdist religion is the "human noblest religion." It is because "without the Buhhdist religion, the world could not exist."
3. Urging his people to have unity from "high to low" (上下一德), between officials and people (官民), and among the people themselves, in order to attain peace. (以求和平).
4. Urging his people not to be immoral or lazy, but be faithful and diligent.
5. Telling the people that Tibet is Chinese territory having close relations with the Chinese people.

A few hours before he breathed his last, the Dalai Lama signed his will in which he advocated strongly observance of the Buhhdist religion; and not to give a chance for invasion by Christianity or other religions to "confuse" the religious systems in Tibet.

According to the Tibetan custom, in his will, the late Dalai Lama probably followed the custom of indicating a place where the young Dalai Lama would be born. It is up to the leaders to proceed to that place to find the child. If it should happen that a child is born in that place just at the time when Dalai Lama passed away, this child would be considered as his successor, and would be invited to come to Lhasa.

British-Tibetan Relations

Since the signing of the Chefoo Convention of 1876 between the Chinese and the British, which provides for a British mission of exploitation into Tibet, the British have been going on with vigorous activities in Tibet. Apparently, with a desire to get rid of the British influence, the Dalai Lama planned to establish relations with Russia. It was due to his intriguing with the Russians, that the British sent the "Younghusband Expedition" to Tibet, which eventually entered Lhasa in 1904. By the imperial edict, the Dalai Lama was dismissed. The Panchen Lama wan instructed to rule the whole of Tibet. Instead of discussing peace with the British, the Panchen Lama petitioned the Manchu Court for help. The Dalai Lama escaped to Mongolia where he was said to have asked Russia for help. But this again incurred the anger of the imperial throne which gave out the order to the Manchu official in Barga to stop the Dalai Lama's activities. Instead of taking advantage of the Dalai Lama's absence from Tibet to control the whole of Tibet, the Panchen Lama sent his uncle and others to go to Mongolia to bring to the Dalai Lama a long letter in which the Panchen Lama explained rather convincingly to the Dalai Lama that pro-Russian policy, is bad, and to go away from China is a great blunder, etc. The Dalai Lama was somewhat convinced. Due to the Panchen Lama's further efforts, the Dalai Lama was not punished, and was well received by the Manchu Court when he returned to Peiping, and was at last permitted to return to Tibet. The situation was concluded by the signing of treaties between China and Britain in 1906 and between Britain and Russia in 1907. But one outstanding fact is that the Panchen Lama has shown to the British that he is a strong "pro-Chinese" Tibetan ruler.

Since 1910, there has been much trouble between China and Tibet, culminating in the flight of the Dalai Lama to India on arrival of the Chinese troops to Lhasa, which, as the Chinese claim was only to protect the Dalai Lama, but the Dalai Lama regarded such as a Chinese attempt to ruin Tibet and the Tibetan religion. But with British help, the Dalai Lama was at last able to return to Lhasa. Since then, the British have been regarded by the Tibetans as the "benefactor." The British activities in Tibet have been greatly facilitated.

Was Dalai Lama Nationalistic?

Since the establishment of the Nationalist Government in Nanking in 1926, the late Dalai Lama opened an office in the new Capital. and appointed his personal representative to reside in Nanking so as to have direct contact with the Nationalist Government. Though the "armed invasion" of Sikong was quite often reported, and the warfare between Tibet and Sikong vexed the Chinese much, nevertheless, we heard also much about such words as "loyalty to the Central Government," "Tibet, a Chinese territory," etc. as expressed by the Dalai Lama himself and his personal representative in Nanking. All these words were used in his parting Manifesto or "Advice" to his people and in his "Will" Another report has it that in his will. the Dalai Lama even instructed his fellowers to "cease the military actions in Sikong."

Well-informed circles who are closely affiliated with the Dalai Lama have it that in the last 10 years, or to be more exact, since the outbreak of the nationalist movement in China in 1925, there has been a change of mind on the part of the Dalai Lama towards the British. Before that time, the Dalai Lama's policy was distinctly "pro British," but since that time, the Dalai Lama realized that a pro-British policy was ill-advised. He was even quite anxious to get rid of the British influence, but the trouble is that he could not do so, and there was no way for him to do so. It is also reported that there are some British military officials in the Lhasa army whom the Dalai Lama disliked, but he had no way to kick out these officials Another report has it that these British officials in the Lhasa army hold important positions, and are now very powerful.

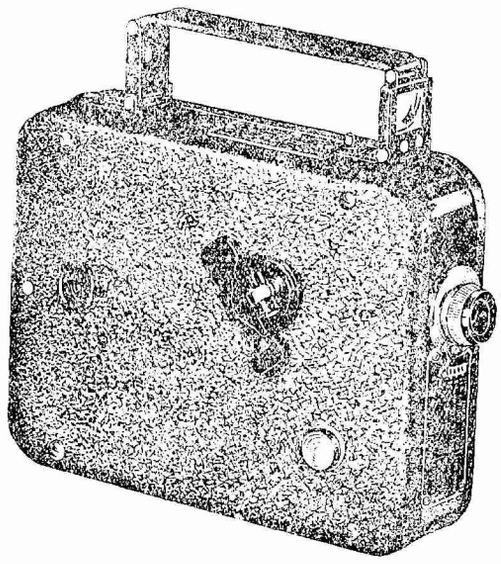
Will the Tibetan-Sikong War Stop?

The death of the Dalai Lama does not necessarily mean the end, once for all of the Tibetan-Sikong War, for behind these are some other interests in existence which still promote war. After the death of the Dalai Lama, the Tibetan troops in Sikong are said to have been ordered to withdraw But whether the officers in command of the Lhasa army are willing to withdraw or not is very doubtful. Sometime last year, when the Tibetan-Sikong war was going on, the Nanking Foreign Office lodged a protest with the British minister to China against the importation of British ammunition to Tibet to enable the Tibetans to fight against the Chinese troops. The British Minister is reported to have replied and explained that the importation of ammunition to Tibet was "in accordance with the Treaty" for the "self-defence" of Tibet, and that the British were willing to act as a mediator in the Sikong and Tibetan dispute, etc But the Nanking Foreign Office replied that the Sikong-Tibetan dispute was only an internal affair requiring no foreign intervention.

Sir Charles Bell Recalled to Service!

It is a strange coincidence that just a month before the death of the Dalai Lama, the British recalled Sir Charles Bell to active service and sent him again to Lhasa to have "discussions" with the Dalai Lama. We remember well that Sir Charles Bell is an old Tibet hand, and for a long time was the British political representative in Tibet, Bhutan and Sikkim. He did a great deal to help the Dalai Lama both when he fled to India and when he returned to Lhasa. It was due to his efforts that a strong pro-British feeling in Tibet was built up. According to the Chinese report, one or two more old British military officials in Tibet were also recalled to service and were sent to Tibet together with Sir Charles Bell. By that time, the Chinese circles expressed much apprehension of the real British intention. But now we have a clearer picture of the situation than before.

At present in Tibet, we know there are two parties. To be brief. the so-called "New Party," consisting mostly of returned students from England, which wants more or less independence for Tibet; and the so-called "Old Party" which wants to pledge allegiance to China. So



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ong as the Dalai Lama was living. he could keep these parties in peace; for the Dalai Lama's recent policy, as explained above, was essentially pro-British and pro-Chinese. So there was no cause for the conflict between the New and Old parties.

Apparently in prediction of the death of the Dalai Lama, and in anticipation of the possible conflict between the New and Old parties after the death of the Dalai Lama, the British were quicker than the Chinese in sending an old hand to Tibet to "head-off" the situation. It is because if the old party becomes a dominating factor in Tibet, there will be much for the British to worry about. So the British are anxious to see that the old party will not dominate, but that the new party will.

Panchen Lama's Return to Tibet—Possible?

When we keep the situation in mind, we will see that the return of the Panchen Lama, who is known as "strong pro-Chinese Tibetan" to Tibet is very problematical. So far as the Tibetan custom is concerned, when the accession ceremony takes place, an old Buhhdist should be present to recite passages from the Buddhist Scriptures. The Panchen Lama is the only man living to conduct the ceremony. So according to the Chinese report, the Panchen Lama has decided to return to Tibet next "spring." But the matter is not so simple as this.

"Well-informed circles are of the opinion that the return of the Panchen Lama is surely welcome by the Old Party, but whether he will return, all depends upon which of the these two parties will be in power in Tibet. But on the other hand, it is also pointed out that as the British have long been looking to the Panchen Lama as a "strong pro-Chinese Tibetan," and considering him as "undesirable," the British may not like to see the re-entry of the Panchen Lama to Tibet. According to the opinion of the Tibetans, that the British have not so far taken "positive action" in Tibet is largely to the fact that the Panchen Lama is still alive. Though in exile, he still yields much influence in Tibet and China; and further, in view of the fact that the Panchen Lama is in good standing with the Chinese he could easily start the anti-British feeling of the Chinese, if the British are to take positive action in Tibet. So from this point, it is almost certain that the British are likely to set up obstacles in the way before the Panchen Lama could enter Tibet.

On one hand, if the Panchen Lama returns to Tibel without bringing any troops, it would mean personal danger to him. But on the other, if he brings some troops, he is sure to meet opposition, not only from the British, but also from the Dalai Lama's followers. On one hand, if the Panchen Lama returns to Tibet too early, it is not altogether advisable in view of the present prevailing condition in Tibet. But on the other, if he returns too late, he may not be able to save any situation. Such is the difficulty of the situation. So many Tibetans, when interviewed by the writer, expressed the opinion that Nanking should quickly send some man who has a good knowledge of Tibet and who could command the respect of the Tibetans to go to Tibet at once to pave the way for the return of Panchen Lama. Great Britain has already sent Sir Charles Bell to Tibet, while Nanking has not yet done anything.

Quick Action and Tactical Handling Required

After a study of the Tibetan situation, we believe the cesation of the hostilities between Tibet and Sikong, and the return of the Panchen Lama are only secondary questions; the first question is to appoint a right man (or men) to proceed at once to Tibet (1) to study and handle the situation on the spot; (2) to prevent the break-off of these two parties and avoid the chaotic conditions in Tibet after the death of the Dalai Lama; (3) to give no chance to the British to take advantage of the situation to dominate Tibet; (4) to induce the New Party leaders or pro-British people to come to the side of the National Government and offer them positions in the Government; and (5) to pave the way for the return of the Panchen Lama to Tibet in safety. When these are being carried out, the problems such as the cessation of hostilities between Tibet and Sikong, etc. are automatically solved. The next question is to bring about reforms in Tibet. So it is correct to say that, whether the death of the Dalai Lama will prove a "chance" to the Nanking Government in gradually regaining the influence and control over Tibet, or will prove "too bad" in causing another complicated situation in the western frontier, leading to the virtual loss of Tibet, all depends upon Nanking's quick action and tactical handling of the situation, and exercising shrewd diplomacy in dealing with the British.

Nanking, December 24, 1933.

Chen Ming-shu and China Merchants Loan Issue

BY PAUL K. WHANG (汪 仲 芳)

WITH the lapse of more than a year, the public interest in the China Merchants' Loan Issue has been once again stirred up, after the government authorities, in their denunciations of the Fukien rebellion, have thrown further light on this ignominous case. To the names of Chen Fu-mu and Li Kuo-chieh, the two government officials who were charged with abuse and malfeasance of duty, a third name has now been added in the person of Chen Ming-shu, the leading spirit of the present Fukien separatist movement.

Chen Ming-shu, as proved by later developments, had his eye on the China Merchants for a long time. Right after he was awarded the post of Minister of Communications at Nanking in March, 1932, he lost no time in transferring the control of the China Merchants to the Ministry of Communications, and appointing his henchman Chen Fu-mu (vice-Minister of Communications) Government Supervisor of the China Merchants. In order to carry out his designs, he had to find a willing retainer who could follow what he dictated. It did not take long for him to locate an ambitious but weak man in Li Kuo-chieh, who was thus appointed the General Manager of the shipping company. Thus this trio connived together in managing, or rather mismanaging, the company.

During his short tenure of office, Mr. Li was more or less a figure-head, but was contented with playing second-fiddle so long as he could also claim a share in the ill-gotten wealth. He subjected himself abjectly to the dictates of Chen Fu-mu, who, as his superior, had him completely under his mercy. He abetted and aided Chen Fu-mu in perpetrating evil and corrupt practices, culminating in the notorious loan scandal. In order to refresh our memory, it is apropos to state briefly the facts of this case.

A Brief History of the Loan Transaction

Upon assuming his office, Li Kuo-chieh, on behalf of the China Merchants, approached the China Realty Company, Fed. inc., U.S.A., for a big loan for the alleged reason of reorganizing the Company. On September 6, 1932, four agreements involving loans of ₮30,000,000 were entered into between these two companies. The text of the loan agreements, however, was not made known to the government and the public until two months after, when Chu Chia-wha was appointed Minister of Communications to succeed Chen Ming-shu, who before relinquishing his post had left the country for Europe. As soon as the government got wind of the loan agreements, it immediately appointed a new manager to take control of the Company and detained Mr. Li for investigations.

After detailed examination of the case, it was borne out that fourteen cheques for ₮50,000 each aggregating ₮700,000 had been paid by the China Realty Company to Mr. Li, but were not recorded in the books of the Company. Mr. Li, while acknowledging that he had issued a receipt for the money, insisted that he had passed the sum to Chen Fu-mu as a price to get the latter's consent to the deal. Chen Fu-mu secretly left for Hongkong and professed his innocence to the Nanking government. He, however, refused to come to Nanking to probe the case, and subsequently left Hongkong for unknown destinations. Chen Ming-shu, while in Europe, also wired to Nanking declaring that he had no hand in the deal. Since Chen Fu-mu could not be located, Mr. Li had to face trial alone before the Shanghai District Court, and was sentenced to three years' imprisonment and four years' deprivation of civil rights.

The case would be considered as closed after the two companies concerned had agreed to cancel these loan agreements, had not it been for the fact that more revelations were made by the government recently. In one of his manifestoes addressed to the people generally, the rank and file of the 19th Route Army and to his subordinate commanders, Gen. Chiang Kai-shek, Commander-in-Chief of the National Forces, charged that Chen Ming-shu, while occupying the spot of Minister of Communications at Nanking had accepted heavy bribes in connection with the conclusion of the Mackay Cable agreement and the China Merchants S. N. Company's loan agreements.

Evidently encouraged by Gen. Chiang's denunciation, the government has made further disclosure by releasing for publication a petition submitted by Li Kuo-chieh to Minister Chu Chia-wha dated November 13, 1932. This petition, which was written after the disclosure of the loan scandal, said, inter alia, "For a long time I have tried to secure a big loan with which to reorganize and rehabilitate the China Merchants. But Minister Chen (Ming-shu) and Supervisor Chen (Fu-mu) have purposely set up many obstacles to prevent me from concluding this loan. Under this pressure, I was compelled, at the time of signing loan agreement, to approach secretly F. W. Sutterle, President of the China Realty Company, for an advanced payment of ₮700,000 to be paid to the two Chens as a price to get their consent to the deal. Mr. Sutterle, after being acquainted with my predicament, consented to make this advanced payment for which I issued a receipt. The sum was subsequently turned over to Chen Min-shu through Chen Fu-mu at the latter's request."

The recent revelations have definitely confirmed our belief that Chen Ming-shu, as the Minister of Communications, could not totally wash his hands off this loan scandal. It is true that he was in Europe when the loan agreements were made public; but it must be noted that the loan agreements were signed two full months before their publication while he was still in Nanking, and that the advance payment of ₮700,000 passed from hand to hand at the time of signing these loan agreements. Being the Minister of Communications, he could not plead that he was unaware of the acts of his subordinates. Moreover, Chen Fu-mu, before becoming the vice-Minister of Communications, had been a third-rate official, unknown and unheralded. He was appointed to that important post simply because of his personal affiliation with Chen Ming-shu. That there was a close understanding between the two Chens is therefore quite evident.

It has long been suspected that Chen Ming-shu was a dormant partner to all the misdeeds committted by Chen Fu-mu. Therefore the present revelations will occasion us no surprise. But what strikes us as most incomprehensible is the fact that the government should deem it fit to keep these salient facts including the above said petition, from being made public for more than one year. If the government has sufficient evidence on hand to prove that Chen Ming-shu was the principal instigator of the brigery case, it should instantly institute impeachment against him, irrespective of how influential his official position then was. In suppressing the publication of an important document for more than one year and permitting the alleged guilty official to go scott free, the government itself has failed to carry out its duty and betrayed the trust of the people.

Government Shows Favoritism

It is deplorable indeed that the government should show so much favoritism and indulgence toward an official who was suspected of accepting bribes. But this still could not prevent the ex-Minister of Communications from leading a revolt against the Nanking regime. To dig up the black spots of the past records of a rebel leader can not do any more harm to him who has been already denounced by the public, but on the other hand will only betray the impotence of the Nanking government in dealing with influential officials, and cut a sorry figure in the eyes of the public.

Should Chen Ming-shu have been still sympathetic toward the Nanking government, the present revelations would never have been made known to the public. To go back one step further, if he had not relinquished his post last year, the China Merchants' Loan Scandal would be altogether muzzled. Li Kuo-chieh, therefore, might still retain his post and dreamed his elaborate plans of reorganizing and rehabilitating the China Merchants with his opium pipe.

Chen Ming-shu's case, by all means, is not an isolated one, and in the past few years, cases of a similar nature have been too numerous to be particularized. But in almost every case, the government has deferred to make an charges until the official involved has either lost his influential position or thrown in his lot with the opposite political camp. In dealing with minor officials who have no strong backing, the government, however, has not hesitated to inflict upon them severe punishment, in case they have been found accepting small bribes.

Under such a circumstance, how can we expect to establish a "clean and honest" government? A few of

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the high officials have openly accepted bribes and utilized their official positions in amassing fortunes with safety and immunity from the laws. Encouraged by the examples of these high officials, many of the minor officials have also indulged in corrupt and evil practices. Sometimes, the government censors have found it fit to institute an impeachment against any corrupted official, but the impeachment has often been pigeon-holed. It is hoped that the China Merchants' Loan Scandal coupled with wide publicity may awaken the people to the realization that henceforth they should pay more attention to the affairs of the government and watch closely the conduct of government officials.

Shanghai, Dec. 27, 1933.

"Cat and Mouse" Journalism in the Japanese Empire

(Japan Chronicle, Kobe, Dec. 16)

On November 24 we told our readers something of the trouble that ensues even by the inadvertent and demonstrably harmless breach of a press embargo. Since then we have had some further experience of the trouble of trying to avoid breaches of such embargoes. Some months ago we received notice that nothing was to be said about—well, we must not say what it was about, but the subject was a very wide one. One day the issue of *Chronicle* was seized because an extract from a London paper published therein was deemed to be a breach of this embargo. Another time there was a sharp warning because of the appearance of a piece of news which, though on a totally different subject, also came within the wide scope of the embargo. Meanwhile a considerable amount of news has been published by our Japanese contemporaries (and often translated by us) which seems to be covered by the embargo but to have been published, nevertheless, without offence. A week ago, when a piece of news came to hand which was certainly as well covered by the prohibition as the two pieces which had previously caused trouble, we thought we would be on the safe side, and consulted the police. They did not know. We then consulted the Prefectural office, which also did not know, but asked us to be careful—rather unnecessarily, as our request for information showed that we were careful. So we wrote to the Minister of Home Affairs. That was a week ago, and no reply has been vouch-safed. But if the least slip is made, then everybody knows at once that the matter published is within the prohibited degrees, and official action is very prompt. It is a highly unsatisfactory method of control, rather resembling that practised by the cat upon the mouse.

French Vice-Consul at Harbin Transferred

One of the results of the outspokenness of M. Chambon, the French Vice-Consul at Harbin, who publicly charged that some of the Manchukuo police themselves were involved in recent kidnappings, particularly the tragic case of Simon Kaspe (referred to in an editorial in *The Review* Dec. 23, entitled, "White Bandits of Manchuria") is that he is to be transferred to a post in Tientsin. A Japanese message from Changchun Dec. 22 stated that although his removal from Manchukuo would automatically bring the controversy to a close and be regarded as a settlement of the dispute, nevertheless Japanese circles in Changchun believe that M. Chambon will continue his attacks on the Manchukuo authorities, "as he is known to be extremely dissatisfied with the manner in which the Harbin police authorities handled the Kaspe kidnapping case."

Bangkok Daily Mail Suspends Publication

One of the "casualties" of the recent revolution in Siam has been Bangkok *Daily Mail*, a paper which was subsidized by members of the Royal Family, and edited by trained American newspapermen, one of the most recent editors having been Charles Cashon, formerly in Shanghai. It was extremely well edited and on the face of it could not have been a paying proposition if it had to rely only for support on the limited number of English-speaking readers in that part of the world and the incidental advertising revenue. A printed slip announcing that the paper had been closed by the government until martial law was lifted was dated Oct. 20 but the actual stamps on the envelope give the date of posting of the notice as Dec. 12.

Death of Dalai Lama May Give Rise to Complications in Tibet

THE death of the Dalai Lama, temporal and spiritual ruler of Tibet, on Dec. 17 at the age of 58 has been attracting considerable international attention, especially among China, Great Britain and Russia and may give rise to a serious situation in that country. In order to prevent Tibet from falling prey to internal dissensions and international intrigue and following the fate of Manchuria, the National Government is devising ways and means to bring the Tibetan situation under direct control and is considering either sending back the Panchen Lama to Tibet or appointing a High Chinese Commissioner to take charge of the affairs there. Tai Chi-tao, President of the Examination Yuan and Buddhist devotee, and Wen Tsung-yao, former Chinese Resident Minister in Tibet in the Manchu Dynasty, have been mentioned as possible candidates for the latter post, but neither of them has been formally approached by the Government. In the meantime, the prospects of the return of the Panchen Lama to his native country are considered bright and in view of his high prestige among the Tibetans, his return is not expected to encounter serious opposition. During the week past, the Government leaders had conferred among themselves and with the representatives of the Dalai Lama at Nanking on the Tibetan situation, but no definite decision has yet been reached.

The news of the Dalai Lama's death was first received by the Nanking Office of the late Tibetan dignitary on Dec. 20, while the death actually occurred on Dec. 17. Immediately upon receipt of the information, the Executive Yuan and the Mongolian and Tibetan Affairs Committee dispatched messages of condolence to Lhasa, expressing the sympathy of the Government to the Tibetan people over the loss of their leader. On Dec. 21, the National Government issued a Mandate of Eulogy to the late Tibetan pontiff and conferred on him the posthumous title of "Hu-Kuo-Hung-Hua-Hui-Yuan-Chiao-Ta-Shih" (the Great Wise Priest who defended the Nation and showered benevolence). Pending the inauguration of a successor, the duties of the Dalai Lama are temporarily assumed by Ssu-Lun (Chief Governing Official of Tibet) who is a brother of the deceased and Ko-Hsia (the Governing Council of Tibet). The remains of the Dalai Lama, according to reports from Lhasa, are now lying in state at the Potala, his magnificent and mysterious palace in the Tibetan Capital, and his burial will take place next year. The Mongolian and Tibetan Affairs Commission has petitioned the Government to appropriate a sum of money for the funeral expenses of the deceased Tibetan chief.

Simultaneous with the receipt of the news of the demise of the Dalai Lama at Nanking, a report was also widely circulated that the late Tibetan chief was poisoned to death by his enemies. However, the Nanking Office of the Dalai Lama immediately issued a denial to the report and said that he died of natural causes, although his death was rather sudden and unexpected. The Office is now engaged in preparing a biography of the Tibetan ruler for publication in the press. According to Transocean message from London Dec. 25, the death of the Dalai Lama is generally attributed to the attempts to scale Mount Everest. It is revealed that the Dalai Lama, shortly before his death, intimated to the British authorities that the attempts to conquer the mountain must be abandoned definitely because the Gods are angry at the invasion of their homes.

In view of the unsettled situation in Tibet following the death of the Dalai Lama, the National Government is anxious to see order and peace preserved in that border territory and to bring about a satisfactory settlement of the long drawn-out boundary dispute between Sikong and Tibet. The tense situation on Sikong front which at one time threatened to develop into another Tibetan invasion is reported to have much eased and a detachment of the Tibetan troops there has been withdrawn to Lhasa for garrison duty, the evacuated area having been re-occupied by the Sikong troops under Gen. Chang Wo-jung. According to a report from Hsining, Capital of Chinghai (Kokonor), Dec. 21, serious developments are expected to take place in Tibet because of the death of the Dalai Lama and part of the troops in Sikong has been ordered to return to Lhasa to defend that city against possible uprisings.

In order to keep the Tibetan situation under control, the Government is making a great effort to arrange for the return of the Panchen Lama to Tibet to take charge of the Tibetan affairs. The Panchen Lama who is a senior in rank to the deceased Dalai Lama has been an excile from his native land since 1924. While his return to power in Tibet is a still matter of doubt at present, it is held that his presence to recite passages from the Buddhist scripture is absolutely necessary at the accession ceremony of the succeeding Dalai Lama. In view of this formality, his return to Tibet may be greatly facilitated. Further, according to the rules of Lama religion, the Panchen Lama will automatically become the tutor of the successor of the late Dalai Lama and his guidance of the infanat Dalai Lama during his minority will provide a great opportunity to him to consolidate his power in Tibet. The Panchen Lama is now at Pailingmiao, Inner Mongolia, and he is expected to arrive at Nanking early in January. Liu Chia-chu, his resident representative at Nanking, reached at Kueichua from Nanking on way to Pailingmiao Dec. 21 and brought with him autographed letters from President Wang Chin-wei and President Tai Chi-tao of the Examination Yuan to the Panchen Lama. Interviewed at Kueihua, Mr. Liu said that both President Wang and Gen. Chiang Kai-shek are anxious to confer with the Panchen Lama and wish him to go to Nanking at an early date in order to discuss measures for the strengthening of the frontier defence. According to a telegram from Nanking Dec. 25, the proposal of the Chinese Government to send a High Commissioner to visit Lhasa has been well received in the Tibetan capital. A telegram was received at Nanking on Dec. 24 from the Tibetan authorities there extending a welcome to the proposed delegation to Lhasa. The message added that conditions in Tibet are peaceful.

According to a *Reuter* telegram from London Dec. 20, Sir Francis Younghusband, former British Commissioner to Tibet, paid a tribute to the Dalai Lama's charm and great power on receipt of the news of his demise. Among other things, he said that the Dalai Lama succeeded in the difficult task of striking a mean between the extreme exclusiveness of the old days and the excessive modernism.

Death of the Dalai Lama at Lhasa, thirteenth living Buddha of Tibet, will seriously affect the future relations between China and Tibet and may possibly give China an opportunity to regain her sovereignty over Tibet, declared an editorial in the *Sin Wan Pao* on Dec. 22. What will happen in this connection, the editorial said, will depend entirely on how the Government handles the situation. In dealing with the present delicate situation in Tibet, the paper urged the adoption of such measures as are likely to improve the Tibetan-Chinese relations. Specifically, it suggested that an envoy should be dispatched to Tibet to offer condolences of the Central Government and that educated Tibetans should be invited to visit China and as far as possible, be offered suitable positions in the Government. There are two main political factions in Tibet, the paper continued. One is pro-Chinese, while the other is pro-British. The Government must be tactful and so direct and guide the latter group as to prevent it from going astray. As an immediate measure for coping with the situation, the journal suggested, the Central Government should lose no time in bringing about the cessation of hostilities between Tibetan and Sikong forces. The fundamental solution of the problem however lies in giving active support to the political groups in Tibet that are loyal to the Central Government.

The *China Times*, commenting on the same topic, Dec. 23, pointed out the vital relationship between that border territory and the provinces of Szechuan, Yunnan and Chinghai, where certain foreign influences are at work. After stressing the importance of the settlement of the Sikong-Tibet dispute, the paper warned that if no concrete measures be devised for its early solution, Tibet and Sikong are likely to meet with the same fate of the North-Eastern Provinces.

The *Shun Pao*, commenting on the relationship between internal disturbances and foreign aggressions and intrigue in frontier territories on Dec. 24, made particular reference to the Japanese aggressions in eastern Charhar and British intrigue in Tibet. The paper said that the British are utilizing the special situation in Tibet to expand their territory and develop their trade in Tibet.

Frontier Affairs Ministry in the Making

According to telegrams from Nanking during the week, preparations for the establishment of a Ministry of Frontier Affairs are nearing completion and a set of regulations governing the organization of the new Ministry has already been drafted by the Committee for the Readjustment of Administrative Laws. The draft will shortly be submitted to the Legislative Yuan for revision and adoption. It is learned that Wang Ching-wei, President of the Executive Yuan, will serve concurrently as Minister of the new Ministry. The present Mongolian and Tibetan Affairs Committee under the National Government will be abolished upon establishment of the new Ministry.

The Mongolian delegation representing the Ulan-Tsab and Ordos (Yeghe Jo) League which recently arrived at Nanking called on President Wang Ching-wei and Gen. Huang Hsao-hsiung, Minister of Interior, Dec. 21, when detailed measures for the institution of local autonomy in Inner Mongolia were discussed. A luncheon in their honor was given by President Wang. In the course of the function, President Wang said that detailed measures for the institution of local autonomy in Inner Mongolia are being devised by the Central Government. He urged the deputation to remain at the Capital for a few days longer so as to assist the Government with all necessary information concerning the situation in Mongolia.

The report of General Huang Shao-hsiung and Chao Pei-lien, Special Commissioners to Inner Mongolia, to the Central Government is nearly completed. The report consists of two volumes, the first dealing with facts concerning conditions in Inner Mongolia, while the second contains recommendations for the solution of the Mongolian situation. Gen. Huang will shortly leave Nanking for Nanchang, Capital of Kiangsi, to report to Gen. Chiang Kai-shek, President of the Military Affairs Commission, on the results of his mission to Inner Mongolia.

Pending the adoption of the Regulations governing the organization of the Mongolian Autonomous *Chu* (County) governments, it is reported that the Central authorities will establish a Preparatory Committee for the institution of local autonomy in Inner Mongolia. A proposal to this effect will be submitted to the next meeting of the Executive Yuan.

President Wang Ching-wei summoned Gens. Huang Shao-hsiung, Huang Mu-sung and Ho Yao-tsu, (Assistant Chiefs-of-Staff) Dec. 23 for a conference in regard to the various problems of the frontier provinces of Sikong, Tibet, Mongolia and Sinkiang. The various frontier problems were reviewed at the meeting.

Sinkiang Warfare Subsides

Fighting in Sinkiang has temporarily ceased, according to information received at Nanking from Tihua, Capital of that province, Dec. 20. The Mohammedan troops under Gen. Ma Chung-ying, rival and enemy of Gen. Shen Shih-tsai, Border Defense Commissioner of Sinkiang, have been withdrawn to Hami and Turfan in eastern Sinkiang. Although Gen. Ma is reported to be planning another attack on Tihua, operations are not likely renewed for some time.

A *Tass* report from Bakhty Dec. 21, however, reported that fighting in Sinkiang is still progress in Taching. According to the telegram, the operations of the Chuguchakk (Tachen) forces in support of Gen. Sheng and against the rebel Ningyuan Gen. Chang Pei-huang, are developing south-east of Tacheng near Shaho. Simultaneously a cavalry detachment has beeen sent by the Tihua Government to Ningyuan, across the mountain passes. The situation in Tacheng and the surrounding districts has considerably calmed down. 12,000 Sinkiang refugees with 80,000 heads of cattle, who sought refuge in the Soviet territory near the border, are beginning to return to Sinkiang, and their number in the Soviet territory already considerably decreased.

Peace and tranquility have been restored at Tihua, according to a joint telegram from Liu Wen-lung, Chairman of Sinkiang Provincial Government, and Gen. Sheng Shih-tsai, Defence Commissioner for the Sinkiang Border, to Kung Pi-cheng, resident representative at Nanking of the Sinkiang Provincial Government Dec. 23. The telegram stated that the insurgents under Gen. Ma Chung-ying, attacking Tihua on the eastern and western routes, had been successfully repulsed; the Sinkiang Provincial forces on the southern route had also scored a decisive victory over the rebels and occupied the Chingshui Ho (river) region.

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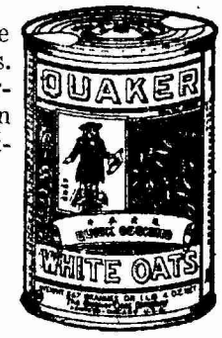

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Ominous Changes in Japan-Manchukuo Protocol

According to the Tokyo *Nichi Nichi*, Dec. 24, the Japanese government is now drafting a new Japan-Manchukuo protocol to replace that negotiated by the late Marshal Muto, the change being for the purpose of "meeting a situation which, it is anticipated, will arise early in March." The present protocol vests in Japan the right of military and naval defence of Manchukuo.

A recent Japanese message from Tsitsihar stated that Soviet troops on the other side of the Alulanka River suddenly started firing with rifles and machine-guns Dec. 1. The Manchukuo police, however, maintained silence.

Soviet Teachers Discharged from Schools in Manchukuo

Ostensibly because of danger of "red" propaganda, the government of Manchukuo Dec. 26 discharged about 40 instructors of Soviet nationality from Russian schools in North Manchuria.

A Mukden despatch says the exportation of staple products from Manchukuo has been increasing remarkably recently. A huge order for soya-beans from London and an order for 3,000 tons of rice from Germany were received last week.

Changchun advices state that more than 70 Britishers have entered Manchuria during the month of November with a view to investing British capital.

Manchukuo's foreign letter postage rates (fixed as were China's when exchange was 5 to 1,) are being reduced from 25 cents to 10 cents per unit.

S. M. R. Reorganization Plan Strikes Snags

A net profit amounting to over Yen 40,000,000 is estimated to be obtained at the end of this fiscal year by the South Manchuria Railway Company, it was announced by Count Hirotaro Hayashi, President of the S.M.R., at the annual general meeting of shareholders of the company in Tokyo Dec. 20. The railway income of the company showed an increase of 13,000,000 yen as compared with the figures of last year, while the income from collieries promised to yield the increased income of Yen 12,000,000 as compared with last year. Referring to the question of the South Manchuria Railway Company, Count Hayashi asserted that the company as such had drafted no reorganization plan, but only submitted necessary figures in connection with the drafting of the reorganization plan by the Kwantung Army.

The Overseas, Finance, and Foreign Ministries are opposed to the organization plan suggested by the Japanese Kwantung Army in Manchuria. Concrete negotiations between the Ministries concerned have not yet started, they being confined to exchange of informal views between the Overseas Minister and the Finance Minister, on one hand, and the Premier and the Finance Minister on the other. It is, however, regarded possible that negotiations will start soon on the reorganization plan in view of the fact that policies of each department concerned must be fixed before the re-opening of the Imperial Diet early next year.

Overseas Minister Ryutaro Nagai, Dec. 17 opposed in definite terms the transfer of the management of the South Manchuria Railway from civilian to military hands. The only hope of the Kwantung Army in carrying out its plan for complete control of the South Manchurian Railway system now lies in an empowering bill in the Diet. The Tokyo vernacular press says that much doubt exists whether the present Government would authorize such a measure.

A Tokyo message Dec. 26 intimated that the Army Office authorities have ordered the Japanese Kwantung Army Headquarters to make some revision to the original plan for the reorganization of the South Manchuria Railway Company, as suggested by the Kwantung Army, in view of the strong opinion expressed by the Overseas Ministry and other quarters against the original reorganization plan.

The Manchukuo Government has decided to build three more railway lines at a cost of Yen 76,900,000 yen and has contracted with the South Manchuria Railway Company for the construction. The three lines are: Tumenkiang-Mutanchiang (Kirin Province) line, the Koupeiyingtu-Lingyuan (Jehol Province) line, and Peian-Erhchan (Heilungkiang Province) line.

C. E. R. Squabbles May Cause Closing of Western Line

Mr. Rudy, the manager of the Chinese Eastern railway, Dec. 25 addressed a letter to the Chief Commissary of the Japanese Kwantung Army demanding the payment of the balance of indebtedness of about twenty million gold roubles by the Army to the railway for Japanese military transportation. The delay in payment causes great financial difficulties for the railway, Mr. Rudy stated.

The Soviet general manager and the Manchukuo assistant manager of the Chinese Eastern railway during the week have become so antagonistic (showing their contempt for each other by cancelling each others' appointments,) that there is grave danger of the western section of the Railway being suspended entirely in the near future. The Soviet assistant chairman of the Chinese Eastern Railway board, Mr. Bandura, Dec. 22 sent a letter to the chairman of the board, Li Shao-keng, emphasizing that the Ministry of Communications cannot interfere with the work of the C.E.R. which is the property of the Soviet Union, operating on the basis of international agreements.

Interference with the normal working of the Chinese Eastern Railway was alleged by Mr. Bandura, the Soviet acting-president of the line, in a letter Dec. 24, to Li Shao-ken, the Manchukuo director-general. Mr. Bandura made several demands, one of which is that Mr. Morita, the Japanese chief of the railway department at Changchun, should not interfere with the railway. He also demanded the dismissal of Mr. Sato, a Japanese described as a "go-between agent between the C.E.R. and Manchukuo," and also of Hang Ming-che, assistant manager, and Tien Hsih-fu, acting chief of the haulage department.

Japanese Troops Along Changchun-Harbin Railway Line?

A Japanese message from Harbin, Dec. 21, indicated that because of the frequent bandit attacks on the Eastern and the Western Branches of the C. E. R (which the authorities concerned believe to be the outcome of the communist activities), there is a growing desire among local Japanese and other nationals that protection for the Changchun-Harbin line should be provided by Japanese troops.

Russians Encourage Emigration to Far East

A new decree was issued at Habarovsk, Siberia, Dec. 21 pointing out the material privileges for workers in the Far East. Many Red Army men whose service terminated this autumn have expressed a desire to settle in the Far East, particularly in the newly-colonized Birobidjan district.

Public Safety Bureau Arrests 54 Shanghai College Students

Fifty-four college students in Shanghai, two of them girls, were arrested on the night of Dec. 21 by detectives from the Bureau of Public Safety during a series of raids on four local Chinese institution of higher learning. Of the 54 arrested students 14 boys and one girl are students of the Kwong Hwa University; six boys, Great China University; 17 boys and one girl, University of Shanghai; and 15 boys, Fuh Tang University, Kiangwan. When arrested, the suspects were put on trucks and sent to the Bureau of Public Safety where they were subjected to preliminary examinations. It was reported that a number of "wanted" men escaped before the raid. The arrested men and girls are alleged to be communists, Third Party and Social Democrat Party members. At last reports all the students were still being kept in custody despite the continuous efforts of college officials to secure their release.

The Chinese Police December 26 proceeded to Chenju University and ordered all professors to leave the university and middle school forthwith. They alleged that the President, Cheng Hung-nien (who was formerly Vice-Minister of Communications and Industry) was engaged in political activities opposed to the Nanking Government.

Soviets to Increase Sakhalin Oil Output

The Soviet Peoples' Commissariat of Heavy Industries has decided to increase the output of Sakhalin oil up to 300,000 tons in 1934 and 500,000 tons in 1935. 35,000 meters of new wells will be drilled in 1934. A new power station of 6,000 kilowatts capacity will be constructed to supply power for the Okha fields. The first section of the power plant, with a capacity of 3,000 kilowatts, will be put in operation in the beginning of 1935.

THE CHINESE NATIONAL GOVERNMENT, 1933: A CRITICAL YEAR

(*Continued from page 194*)

for 1933 that the Nanking Government has grown stronger in some respects, and it has been leading. One of its striking features is the compression of the party rule into the leadership of a triumvirate. The Government has been emerging supreme over the Kuomintang, and for one thing, the postponement of the Fifth National Congress is regarded as a sign of the Party being in abeyance. Whether the Government will eventually evolve into a dictatorship of the European type only the future can reveal. But the one certainty seems to be that a dictatorship to be a success in China has yet to go through the crucial test of contending against many centrifugal and revolting forces which are still going strong. Of these, the recent independent movement in Fukien gives another major example. It is undoubtedly an excellent test for the power of the Nanking Government.

Nanking, December 11, 1933.

Chinese Mission to Lepers Plans Modern Leprosarium in Shanghai

To cope with the growing menace of the dreadful disease of leprosy and to train the unfortunate victims in vocational occupations and convert them into useful citizens, the Chinese Mission to Lepers at Shanghai is planning to establish a modern leprosarium at Woosung and a campaign for the raising of a sum of $100,000 by public donations to finance the project will open here Jan. 6, 1934. Details of the plan were revealed at a tiffin meeting held by the Mission on Dec. 26 at the Bankers' Club under the chairmanship of P. K. Chu, a member of the Board of Directors of the Mission and a well-known public welfare worker in Shanghai.

In short speeches, Mr. Chu and Mr. Yinson Lee, President of the Board of the Mission, briefly traced the history of the Mission and described the work it had done during the past eight years since its formation in April, 1926. Prior to the founding of the Mission, they said, the work of combating the disease had been almost entirely undertaken by the foreign missionaries in China. In 1926, as a result of the visit of W. M. Danner, General Secretary of the American Mission to Lepers, to China and his startling revelations of the extent of the malady in this country, a number of public spirited Chinese citizens got together and founded the Chinese Mission to Lepers. During the past few years, the Mission had been co-operating with the foreign missionary institutions in suppressing the disease and raising funds to finance the cause. While the disease was generally wide-spread in the Southern provinces, Messrs. Chu and Lee said, the leprosy situation in Shanghai had also become increasingly serious and a great need was felt for the building of a leprosarium here to care for the patients and prevent its spread. In the proposed project, they said, the Mission had secured the co-operation of the National Health Administration, the Bureau of Public Health of Shanghai Municipality, the Medical School of the Central University, the Tung Chi University and the National Vocational Educational Association.

Rev. T. C. Wu, General-Secretary of the Mission, gave a graphic account of the leprosy situation in China. He said that due to the neglect and indifference on the past of the Chinese authorities, the disease had grown in alarming proportions. Whatever had been done in the past to combat the spread of the disease, he stated, it must in a large measure be credited to the foreign missionaries. It was true, he said, there had been in existence a government—established leper hospital in Swatow, however this institution according to him was the worst managed and equipped. Lepers, instead of being treated as patients, were dealt with as criminals and shut in their wards by armed guards like prisoners, he said. In surveying the world leprosy situation, Mr. Wu estimated that there were 3,000,000 lepers in the world, of whom 1,000,000 are found in China alone. In Shanghai, he continued, since the Mission was started, at least 300 cases had been found and that it was safe to multiply that number by 10, as many lepers were unknown and unregistered. To substantiate his statement, Mr. Wu cited a number of concrete cases, in which a boy in a foreign hotel in Shanghai was found to suffer from leprosy.

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Dr. H. H. Kung Says Inheritance Tax Will Not Affect Bank Deposits

Dr. H H. Kung, Minister of Finance, in an interview Dec. 23 said the imposition of the inheritance tax by the Central Government will not affect the bank deposits of Chinese-owned banks in Shanghai. The Central Government will not have to bother with the exact legal amount of the inheritance bestowed, Dr. Kung said. To acquire legal permission for receiving the fortune, the inheritor is allowed to specify the definite figure and how he will divide it.

According to official estimates made by the Ministry of Finance, a yearly increase of $25 millions in the National revenue will be realized from the enforcement of the new tariff on rolled tobacco, cement, and matches.

How Shall the Land Tax Be Reorganized?

The *World Daily News*, Peiping, Dec. 19, commented:—"Dr. Kung is reported to take the view that the burden of the land tax, as it is collected at present, falls unfairly on the shoulders of the farmers, and that there are too many surtaxes imposed on the land tax. He contends that the reorganization of the land tax is the first step towards the relief of China's depressed rural communites. What Dr. Kung proposes to do is so to reorganize the system of collection so that the tax will fall more equitably on the shoulders of the people affected. The various surtaxes also will be abolished, while the vicious practice of ordering the peasants to pay the land tax in advance of the year it becomes due will be stopped. We are a little skeptical as to the efficacy of these measures. Indeed, we very much fear that the only people benefitted will be the landlords instead of the peasants."

Dr H. H. Kung, Minister of Finance and concurrently Vice-President of the Executive Yuan, who has recently been appointed one of the two new members of the Standing Committee of the National Economic Council, assumed office Dec 20. General Chiang Kai-shek, President of the Military Affairs Commission, is the other new member.

Dr. H. H. Kung Says Wheat Importers Must Pay Duty

With reference to the petition submitted by Shangha flour mill owners to the Ministry of Finance urging exemption from the newly imposed import duty of shipments of foreign wheat already ordered, Minister H. H. Kung said in an interview at Shanghai Dec. 23 that the petition could not be entertained as all these orders were placed by the mills in the full knowledge that the new import duty would be imposed.

Report of Moratorium on Bonds Declared Unfounded

The report that the Ministry of Finance will soon declare a moratorium on certain Chinese Government bonds in order to divert the money for military purposes was categorically denied by Dr. H. H. Kung in a telegram to Shanghai, Dec. 21. The Minister of Finance declared that no such a thing has been contemplated and that he will do his best to uphold the credit of the Government.

How to Meet the Present Financial Deficit

The *Shun Pao* comments: "While China to-day is faced with both internal and external troubles, it is of paramount importance that a solution shall at once be found to meet the monthly deficits in her budget. The Government must realize that although opening up new resources is one of the ways to solve that financial crisis, cutting down unnecessary expenses is also an effective way. In our opinion China has spent a lot of money on useless purposes and if such expenses could be prevented, the country would be better off. In the first place the superfluous offices of the Government should be abolished. It has been customary in China that government organizations are created not because they are necessary but because the Government wants to establish offices to suit certain individuals. In the second place, the number of officials in the government should be drastically reduced. In the third place, all government offices should be more economical in their expenditures. At present the government offices are merely squandering away their money on useless purposes. The building of beautiful government offices such as the Ministry of Railways is also unnecessary at this moment when the country is still under reconstruction. If the authorities would realize this point they could save a lot of money."

Commenting on the dumping of Japanese products on the Chinese market, the *Chung Hua Jih Pao*, after suggesting the enforcement of a dumping tax on Japanese products as a measure of coping with the situation, exhorts the entire nation to refrain from buying Japanese goods so as to save the country from economic domination by the Japanese.

The two newly-built gunboats, *Weining* and *Su Ning*, will be formally commissioned for coastal defence on New Year's Day. These two cruisers were launched Oct. 10.

Sino-German Steel Works to Be Erected at Ma-an-Shan

The final draft of an agreement for the establishment of a Sino-German iron and steel works is being forwarded to the representatives of an interested German financial group, according to Huang Ching-tao, director of the mining department of the Ministry of Industry. The site of the iron and steel works has been definitely fixed at Ma An-shan, in Anhuei province. As soon as the agreement is signed, the Ministry of Industry will purchase land there.

The Government is giving active support to the project, initiated by Wang Hsiao-lai, Chairman of the Shanghai Chamber of Commerce, for the establishment of a Native Goods Cooperative Society. The Central Government and the Nanking Municipal Government have respectively promised to contribute $100,000 and $10,000 towards the capital of the Society.

General Ma Hung-kuei, Chairman of Ninghsia province, and Liu Shou-chung, member of the Central Executive Committee, have jointly proposed to the Government the allotment of $20,000,000 from the American wheat and cotton loan for the construction of a railway between Ninghsia and Shantung.

Chinese sources state that the Ministry of Industries has found means of raising $3,000,000 for the establishment of a newsprint paper factory in southern Chekiang.

The Executive Yuan has issued a circular order to all subordinate offices that all Government officials must wear clothes made with Chinese products.

Opium Released to Secure Money to Pay Troops?

After being detained for a short while, a big consignment of opium (from all appearances orginating from the Manchukuo monopoly in Jehol) passing through Peiping from Kalgan to Tientsin was released Dec. 24. It consisted of 2,400 cases of a value of more than half a million dollars. The consignment was sent to Tientsin. The shipment was in charge of one Li Tze-kwang, who had an escort of ten soldiers. When government gendarmes boarded the train to seize the opium Mr. Li protested, saying that the opium was the property of a certain influential person in Charhar. One report stated that the influential Charhar person telegraphed to the local authorities saying that the consignment was to be sold in Tientsin and winter colothes to be purchased for his soldiers with the proceeds. He explained that he would not have had to do this if his troops had been paid regularly.

The Mukden police on Dec. 2 ordered the discharge of all of the 300 young women attendants at the 58 licenser opium retail shops within the city. There were nearly 300 such opium sales-girls. They included mostly formed normal school and high school students, ranging in age from 16 to 27 years. The police declare their presence in the narcotic emporiums as not conducive to improved public morals.

A total of about 1,000 ounces of opium, morphine and other narcotics, which had been confiscated during the past three months by the Chin-ling (Nanking) Customs Administration, was publicly burnt at Hsiakwan, Dec. 21.

Indian Charged With Sedition Is Defiant in Court

Santa Singh was brought up at the British Police Court in Shanghai Dec. 21 charged with distributing printed publications containing alleged seditious matter When given a chance to reply to the charges, Santa Singh, in a defiant manner declared:—"Whatever is in these papers is nothing againt the government, but just similar to the movement going on in India at present. Whatever the government is doing in India and the blood shed in India is written there." Despote a caution that what he said might be used against him, he said:—"As the charge against me is for distributing pamphlets I will tell you the reason I did it. The voice of India cannot go out, so I undertook to tell all nations by distributing pamphlets. I have nothing more to add."

The accused was recently arrested in a brawl on Range Road and is also charged with unlawful wounding.

Who's Who in China

Hsiao Chi Yung, diplomatic official; born at Fu Ch'uan Hsien, Kwangsi, in 1892; was graduated from the Peking College of Languages and Berlin University; began his diplomatic career as an attache at the Chinese Legation in Berlin; upon his return to China, he joined the Ministry of Foreign Affairs; later was appointed Chinese Charge d'Affaires in Switzerland; Chinese delegate to the Customs Conference at Geneva, 1925; Chinese delegate to the International Labor Conference, 1922-29; in 1932 he was appointed Councillor to the Chinese Assessor's Office of the Commission of Inquiry of the League of Nations on Manchurian affairs; joined the Ministry of Foreign Affairs again after the completion of the work of the Inquiry Commission; in September, 1932, he was appointed Councillor to the Chinese Legation in Paris, which position he still holds; chief Chinese delegate to the International Labor Conference, 1933; address: Chinese Legation, 57 rue de Babylone, Paris, France.

蕭繼榮
Hsiao Chi-yung

蕭繼榮，年四十一歲，廣西富川縣人，畢業於前北京譯學館。及德國栢林法科大學。初任駐德使館隨員，返外交部後，任駐瑞士代辦，歷次出席國際關章會議，國際勞工大會等，國聯調查團來華，任代表處參議，事竣任外交部簡任秘書，旋簡駐法大使館參事，一九三三年，充國際勞工大會首席代表，通信處，法國巴黎中國使館。

Shao Li-tzu Discusses Reconstruction of Shensi Province

Interviewed at Nanking before his departure for Shensi Dec. 21, Shao Li-Tzu, Chairman of Shensi Provincial Government, said that during his present trip to the Capital he had discussed with President Wang Ching-wei the question of the development of the Northwest. The Shensi Provincial Government is now engaged in diverting the waters of the Wei Ho (River) and Lo Ho (River) for irrigation purposes as well as building various branch roads in connection with the Sian-Lanchow Highway. The work of river conservancy in Shensi, Mr. Shao continued, would require a sum of $1,380,000. Beginning with November, the Shensi Provincial Government has been appropriating $20,000 per month towards the conservancy funds. The work will be concluded in two years, so that altogether the Provincial Government will be responsible for $480,000. The remaining $900,000 will have to be remitted from the Central Treasury. With regard to the high way construction work in Shensi, Mr. Shao said that plans are being devised by the National Economic Council for the building of the Sian-Hanchung, Sian-Laohokow, and Sian-Yulin branches of the Sian-Lanchow Highway. Due to the financial distress of the Shensi, steps are also being devised to alleviate their burdens.

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Through tickets are issued and passenger's baggage registered through between the important stations on the Peping-Liaoning Railway and the South Manchuria, Chosen (Korean) and Imperial Japanese Government Railways. At Peiping connections can be made with the Peping-Hankow Railway and with the Peping-Suiyuan Railway and at Tientsin connections can be made with the Tientsin-Pukow Railway, for Tsinanfu, Nanking and Shanghai.

For information as to rates, schedules, accommodations, etc. apply to any Tourist Bureau, or communicate directly with the Superintendent of Transportation.

IMPORTANT NOTICE

Owing to the Japanese occupation of Manchuria, tickets are only sold to Shanhaikwan where the Peping-Liaoning Railway crosses the Great Wall. The Chinese Government Railways assume no responsibility for transportation or safety of passengers beyond Shanhaikwan.

Peping-Liaoning Railway

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Men and Events

W. H. Daub, manager in the Far East for the Quaker Oats Co., is now in New York on a business trip and will return to China shortly.

The Ministry of Finance has rejected the petition of the Peiping City Chamber of Commerce for a reduction of the increased tax on rolled tobacco.

Dr. Adolph Goldy, delegate from the Argentine Government arrived in Yokohama Dec. 20. He will make an extensive inspection trip of Japan during his stay of one month.

A Nanning (Kwangsi province) despatch states that all ricshas have been abolished in the province and that the chief means of communicaiion there is now the motor omnibus.

The Chinese Foreign Office has approached the Siamese Government for the conclusion of a Treaty of Commerce and Navigation along the lines of the Sino-French-Annam Pact.

C. W. Porter has been appointed vice-president and general manager of the Shanghai Telephone Co. in succession to Frank Gill, who proceeded to England during the week.

Harry Stone for many years general secretary of the of Portland (Oregon) Y.M.C.A., accompanied by his wife is spending the holidays with Mr. and Mrs. Todnem in Wuhan (Hupeh Province).

The latest census report compiled by the Nanking Municipal Government reveals that the total population of the Capital in November was 714,652, of whom 437,655 were male and 276,997 female.

Mrs. E. H. Cressy delivered a lecture before the American Women's Club in Shanghai Dec. 22 describing the achievements of Wen Wang, the founder of the Chou Dynasty (1122 B.C.—210 B.C.).

The Ministry of Communications has decided to order two more vessels in England for the China Merchants Steam Navigation Co., based upon the remitted portion of the British Boxer Indemnity fund.

A dinner party was given in London Dec. 19, by the Chinese Minister to Great Britain, and Mrs. Quo Tai-chi in honor of A. G. M. Cadogan, Minister-designate to China, and his wife, Lady Theodosia Cadogan.

In consequence of the unsettled situation on the Chekiang-Fukien border, the depression in the silk market in Nanking has become extremely acute. The cost of production for a picul is $930, but the market price is only $465.

The death occurred at Peiping, Dec. 23, at the age of 54, of Colonel L. M. Guleck, ex-Commandant of the United States Legation Guard. The final interment will be at the Arlington National Cemetery, at Washington, D. C.

The Siberian Fur Store and an adjoining dress-making establishment in Bubbling Well Road, Shanghai, were ransacked on the night of Dec. 22, when more than $15,000 worth of dresses, coats, bags, silks accessories and furs were carried away.

A collision occurred at Wusueh between the San Peh Steam Navigation Company's steamer and a commandeered military transport Dec. 26, as a result of which more than 100, including five members of the crew of the sunken launch, were drowned.

Colonel Fergus R. W. Graham, of the Royal Ulster Rifles, is expected to embark at Port Said early next month for Shanghai to take up his new duties as Commandant of the Shanghai Volunteer Corps in succession to Colonel N.W.B. Thoms.

Miss Paula Brown of Washington, D. C., was married to George A. Bell of Tientsin in Yokohama on Dec. 15. The former Miss Brown is the sister of Lt. R. H. Brown of the 15th U. S. Infantry. Mr. Bell is associated with the Socony-Vacuum Corporation.

Reports from Wuchow state that the Kwangsi authorities have started a "purification movement." Aside from suppressing gambling and opium-smoking, a ban has been placed on theatrical shows and all theatrical troupes have been ordered to leave the province.

Yakichiro Suma, the newly-promoted Japanese Consul General in Nanking and concurrently First Secretary of the Japanese Legation, who was formerly scheduled to leave Shanghai for home on December 22, first visited Foochow and later proeeded to Tokyo via Formosa.

Mrs. Margaret Proctor Smith, who has spent the past year in Peking, will spend some months in Shanghai, and later will visit friends in Taichow, Soochow, Wuhu and Hankow. She intends to proceed to Russia via Siberia next July, enroute back to the United States. Mr. Smith in living at the China United Aportments.

Messages having been received from overseas Chinese that the Philippines Government has promulgated a set of new immigration regulations containing discriminatory clauses against Chinese, the Ministry of Foreign Affairs has instructed the Chinese Consulate at Manila to report on the matter.

The cruiser *Idzumo*, flagship of the Japanese Third Fleet under the command of Vice-Admiral Imamura, which paid an official visit to the Japanese Naval Station at Mako, Formosa, returned to Shanghai Dec. 21. The *Ataka*, flagship of the 11th unit of the Japanese fleet in Chinese waters, on the same date proceeded to Hankow.

Zi Ze-teh, an aviator speaking English and German' formerly with the Nanking Air Force, was arrested in Shanghai Dec. 23 on a charge of being a confederate in the robbing from 23 Route Vallon, French Concession, of $10,-000 worth of jewelry and wedding presents. Pawn tickets covering a portion of the loot were found in his pocket.

It is reported from Nanking that a new agreement regarding the Tientsin Naval Hospital has been concluded by representatives of the Government with the French authorities. According to the new agreement, part of the old site of the hospital, which has already been pulled down by the French authorities, will be returned to China for the re-building of the hospital.

A Manchurian expedition to Shanghai is being planned by the Japan Tourist bureau. This is the first excursion party from Manchuria to Shanghai since the outbreak of the Manchurian incident two years ago. The proposed party will leave Dairen on December 30 aboard the *Hoten Maru*, call at Tsingtao on December 31 and reach Shanghai on the evening of January 1.

In compliance with the petition of Wang Ching-wei, concurrently Minister of Foreign Affairs, the Executive Yuan, at its meeting Dec. 19, decided to again nominate Dr. Wang Chung-hui as a Judge of the Permanent Court of Justice at The Hague, Netherlands. Dr. Wang's term of office expired on November 26, 1933. He is re-appointed in accordance with Article 44 of the Covenant.

The *Sin Wen Pao* states that Paul M. Linebarger, who has been acting as an the adviser to the Chinese Government, recently made speeches criticizing the Chinese Government. The Government thereupon instructed the Chinese Minister in America to warn Mr. Linebarger that from now on he is not to make any speech in which he describes himself as an adviser to the Chinese Government.

The Rev. C. C. Chang of the American Church Mission of Hankow, Bishop P. Lindel Tsed of the Canadian Church Mission at Kaifeng and several others, who had gone to Sianfu, Shensi, on an investigation tour, returned to Kaifeng recently. They report that the Board of Missions will request the General Synod in China, which will be held in April, 1934, to select a Chinese Bishop for the Diocese of Shensi.

Kivoshi Tsutsui, Chief of the Second Section of the Intelligence Bureau of the Foreign Office, will be appointed Second Secretary to be attached to the Japanese Embassy in Changchan, in charge of intelligence work in the Embassy. Mr. Tsutsui, will be succeeded at the Foreign Office intelligence seivice in Tokyo by Toshindo Sato, now Consul at Los Angeles. Kaoru Toyoda, a diplomatic probationer at present in Shanghai, has been promoted third-class Secretary of Legation attached to the Japanese Legation in China.

A Cantonese Who Became a Good Citizen in Canada

The Saskatoon (Canada) *Star-Phoenix*, of Nov. 15 printed under the caption of "He Was a Good Citizen" a highly eulogistic note concerning the death of Charles Mack, a Chinese who came from Canton in 1903 and with his brother William established a restaurant business that was carried on for 30 years in the same location, a record which had been achieved by no other firm in that city; he had a host of friends among all classes of people and his influence on his own people had been immense and always for their good.

President Roosevelt Ratifies London Silver Agreement

President Roosevelt Dec. 21 ratified the London Silver Pact and ordered government purchases of silver at the rate of 64½ cents an ounce, taking this action in accordance with the Act of Congress, approved on May 12, 1933. President Roosevelt's proclamation orders the United States mints to coin half of the annual production of the United States and its possessions of 24,000,000 ounces for the benefit of the producers. The other half will be kept by the Treasury as a reserve. The White House has estimated that this will give a price of 64½ cents per ounce, or half of the legal price of U.S.$1.29 and considerably above the market price. Coinage is to be subject to the desire of the producers. If fully exercised the provisions mean coinage of 13,000,000 silver dollars annually.

Taken at its face value the President's proclamation would automatically raise the price of silver the world over to 64½ cents an ounce, or in other words would mean that the relation of Mexican to U. S. dollars would be 2 to 1. However, although the result has been to somewhat increase the price of silver, the general opinion in world financial centers is that the quantity of silver which will be taken up by the United States for coinage purposes will be too small in proportion to world stocks to have the White House predictions come true. One of the evident objects of the President in signing the silver agreement (in which 66 countries, including India and China, are parties) was to curry favor with the American silver producers, but many of the latter are far from satisfied, as they hope to secure the privilege of free coinage (at some definite ratio.) Mr. Wheeler, who offered in the last congress a bill for the remonetisation of silver on a sixteen to one basis, was most outspoken in expressing his dissatisfaction. Senator Key Pittman, leader of the silver forces in congress and the man, who, as a delegate to the World Economic Conference at London, negotiated the international silver agreement, predicted that the President's action would result in the stabilisation of silver money throughout the world. The real test of the future of the American dollar will come next week, with the opening of Congress on January 3.

The establishment of a corporation to handle all of America's foreign trade is contemplated by the Tariff and Bartering Committee headed by George N. Peek, former chief of the Agricultural Adjustment Administration. The corporation, which would be placed under Government supervision, probably would be capitalized at $1,000,000,000. The agency would supervise production for American world trade.

Acting-Secretary of the Treasury Henry Morgenthau, Jr., will make the final decision as to whether the war-novel "The Japanese-American War," many copies of which were seized at Honolulu last week, violates Customs restrictions. The provision of the Tariff Law involved in this case prohibits the importation of matter inciting treason at time of war, insurrection or rebellion.

Admiral King, naval aeronautics chief, in his annual report to Congress Dec. 23, urged an increase in the number of airplanes to the limit.

Leon Tourain, head of the Armenian church in New York city, was stabbed dead by one of a group of four who invaded the church in which he was conducting a Christmas service.

American manufacturers of rugs are complaining about competition from Japanese rugs. One of the largest American rug factories has been forced to close down because of lack of orders. The U. S. manufacturers want the tariff rates increased sufficiently to keep out Japanese rugs.

The U. S. tariff commission Dec. 15 ordered a 15 per cent increase in the duty on imports of canned tuna. This will bring the previous 30 per cent ad valorem duty up to 45 per cent, the full amount permitted under terms of the Flexible Tariff Act.

Turkish Students Go on Strike in American College at Smyrna

Alleged insults from American teachers caused the entire student body of 250 Turkish boys at the American college in Smyrna (Asia Minor) to go on strike Nov. 17.

It was the most serious of a number of flare-ups against American teachers in recent years. One of the recent crises began with the alleged remark of a teacher that an assembly hall, decorated in red and white Turkish colors, resembled a cabaret. The students began a legal action, but the incident was settled quietly.

In the United States Court for China

In re. application of VADIM P. SCHELKUNOFF, to change his name.	Cause No. 3615 Special Proceedings No. 937 NOTICE

Notice is hereby given that VADIM P. SCHELKUNOFF, an American citizen residing in China, has filed his petition in this Court praying for authority to change his name to VADIM P. SHELTON.

Any person interested may, on or before, January 6th, 1934, offer and show cause to said Court why the said petition should not be granted.

WILLIAM T. COLLINS,
Clerk of the United States Court for China.

IN THE UNITED STATES CONSULAR COURT AT SHANGHAI, CHINA

In re. Estate of PEDRO FAUS Deceased	Cause No. Special Proceedings No. 145 NOTICE

Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of PEDRO FAUS, deceased, to present the same with vouchers to the undersigned on or before June 30, 1934, and all persons owing debts to said deceased are hereby notified to make payment of the same in due course to the undersigned.

INOCENCIO M. FAJARDO,
c/o Palace Hotel Bar,
Shanghai.

Shanghai, China.
December 6, 1933.

New Books of Interest in the Far East

Communsm at Work

Civil War in France. Karl Marx. $1.00 (U.S.) Critique of the Gotha Program. Karl Marx. $1.00 (U.S.) Memoirs of a Bolshevik. O. Piatnitsky $2.00 (U.S.) The Condition of the Working Class in Britain. Allen Hutt. $2.00 (U.S.) International Publishers, New York.

These four books are being presented in the same review because they are all publications of the same concern in New York, the Communist publishing company known as International Publishers. The first two mentioned above, of course, are merely new editions of works by Karl Marx and need no review or introduction to the public. They constitute Volumes IX and X, respectively, in what the publishers call their Marxist Library. "Civil War in France" has an introduction by Frederick Engels who wrote "The Condition of the Working Class in England in 1844." The second Marxist volume has an introduction by the Marx-Engels-Lenin Institute, and Appendices presenting the correspondence of the two great Communists, Marx and Engels, concerning the Gotha Program, Lenin's comments on the "Critique,"and extracts from "State and Revolution," as well as the Draft Program of the German Labor Party. Both are small volumes, and one does not need to be a communist to desire to be conversant with what Karl Marx wrote, which the world has not yet forgotten.

The book by O.Piatnitsky is dull reading. The man is one of the leading members of the Communist Party of the Soviet Union today, and one would think the experiences of any communist who has been much employed by his party for secret and dangerous missions would make intensely interesting reading, whether one were in sympathy with the nature of his work or not. But the book has been designed too much as "a sort of text-book," (as the Preface states it), "which would help our comrades abroad..to learn the methods of organizing underground work and help them become model Bolshevik Party workers." For such a purpose it may be admirably adapted, but that detracts considerably from the interest to the non-Communist reader.

Piatnitsky began his revolutionary activities in 1926 while serving as a tailor's apprentice. His Memoirs cover the period from these early days of scattered Marxist circles to the revolution of 1917. His greatest usefulness to his Party was in connection with the printing and secret distribution of Communist literature, and there is a great deal of sameness about the detailed description of his activities in many cities of both Germany and Russia in this connection. The monotony of labor in connection with the production and distribution of literature is relieved by an occasional arrest and imprisonment, or in one case at least exile to Siberia. However, one of the strongest impressions left on this reader by the book is the lack of harmony in the Party itself and between the various factions, at least in these early years. There was no end of organizational confusion, with Mensheviks, and Bolsheviks, and Recallists, and Ultimatists, and Machists and Rozlamovists and others, even to what were known as the God-builders. The lay reader must perforce wonder what would have happened by this time had there been the strength of union from the first in the Communist ranks.

"Conditions of the Working Class in Great Britain" is well-documented, and tables of Housing and Health conditions make it convincing. As we said in commenting on "Forced Labor in the United States" a few weeks ago, if half that the book contains is true then the conditions depicted are a disgrace to the country involved. To be sure, it is by no means an unbiassed study. It starts with the major premise that conditions under the capitalist system are bound to reach a point where the working class can no longer tolerate them and they will then rise to forcibly overthrow capitalism. As Harry Pollitt says in his Introduction to Allen Hutt's book,

> "It (the book) will be of value not if it merely makes some sentimental reader feel uneasy at the state of Britain today, but only if it makes them want to fight the Britain of today, if it makes them understand that the book is as much an indictment of *reformist* theory and practise as it is of *capitalist* rule power. Then it will lead to the strengthening of the revolutionary forces, who today in factory, street and trade union, are slowly building up the *fighting front* of the working class to beat back the attempts to worsen their conditions in order that the capitalists may find a way out of the crisis."

And lest the italicised phrase be taken in a figurative sense, we quote an additional phrase stating that when conditions are intolerable, then "mass action can be taken that will lead to the *forcible overthrow* of capitalism."

One expects both exaggeration and bitterness in a work that starts with such a major premise. Can it be possible that conditions for the working classes are actually worse today than in 1844 when Engels wrote his famous "Conditions of the Working Class in England in 1844"? And yet Harry Pollitt in writing the Introduction says of the book by Engels, "It was the most authentic analysis of the conditions of the working class that had been written up to that time and constituted a damning indictment of the poverty and misery of the working class in this country at that stage of capitalist development,"—and then soon adds:

> "In Allen Hutt's present book we get an indictment even more damning than that which Engels penned in 1844. For since that time gigantic new forces of production have been developed, great inventions perfected, so that we can say that all the natural obstacles on land, sea and air have been conquered. But because of the capitalist basis of society, the real problems that have always confronted the working class—the problems of bread, work and peace—are more actue today than ever before. In point of fact, the situation is now worse than it was in 1844 as far as the mass of the working class is concerned, when we take into account the great technical developments and scientific conquests."

This reviewer is not British, but is nevertheless inclined to challenge that statement. And would question whether this later statement is not exaggerated: "The Welsh mining valleys have always been a battle-field; but the casualties have not been confined to wages and conditions of work. The onward march of coal capitalism was marked by the corpses of thousands and tens of *thousands* of miners crushed by falls of roofs, burnt, mangled, asphyxiated in devastating explosions." Quite occasionally bitterness creeps in or sarcasm: (p.186) "Feeling that man does not live by bread alone, they (the ruling class) are keeping the ration down to the lowest possible level, and concentrating on the 'social service' circuses." And after mentioning a number of wealthy capitalists by name, "And the miners who toil to keep these lords and fine gentlemen in rotten luxury and ease, or who have been flung out of work by them, where do they live? Perhaps, like the Rhondda miner whose case is described farther on, in basement rooms which are damp and ill-ventilated; perhaps like the Monmouthshire miners described by the same county medical officer, 'compelled to sleep in the same bedroom' as their adolescent children, and living in houses which 'have none of the advantages which tend to promote a healthy life,' many being 'in a condition only fit for demolition'."

One of the strongest impressions received from this book is of the dreadful housing conditions still extant in England. Much is said about the tenements and back-to-back houses minus modern plumbing and with shameful lack even of outside sanitary conveniences. In one such connection, the author states:

> "With the scandalous housing conditions in every working-class area we are already acquainted. On the very day that the Ray report was presented, the Bishop of Winchester in the housing debate in the House of Lords, repeated the commonplace that 'ten of thousands of our fellow-countrymen are living under conditions of squalor, misery and wretchedness'. At Christmas time the whole country was horrified by the burning to death of six little children of an unemployed and crippled ex-service-man in a 'back-to-back' slum house in Birmingham, which was bound to be a death-trap in case of fire, and where nine persons slept in the one bedroom. The Building Industries National Council states that the Government's 'economy' campaign has already meant the holding up of £30,000,000 worth of housing and public building schemes, which would have given employment for a year to 167,000 workless builders and, through the fillip to ancillary trades, to 340,000 workers in all. Yet the Ray report proposes the immediate abolition of the housing subsidy, the sale of Council houses, an investigation with a view to an increase

of Council house rents (already notoriously far too high), the substantial reduction even of the slum clearance subsidy, and the leaving of the field entirely free for the speculative builder and private landlord to do their profiteering damnedest."

The author gives a chapter each to describing working conditions and unemployment in the coalfields of South Wales, the cotton mills of Lancashire, the shipbuilding industries of the Clyde, and in the great metropolis of London, and later another to the "Toilers of the Countryside." In summing up near the close of the book, the author says:

"The working class are condemned to exist under the intolerable conditions that previous chapters have exposed in detail in order that a numerically tiny class of very rich people, the big capitalists, may live in idleness and luxury. Twelve million workers toil for an average income of 45 s. a week to maintain a hundred thousand parasites with income of over £40 a week. Actually one-quarter of this number of workers have no work, and even if they receive full unemployment benefit they are below the harshest poverty line."

His description then of individuals of fabulous wealth, of their Hunt Balls, their gay parties, their dances, sports and junketings of Mayfair and Belgravia, advertisements for servants ("three in family, six servants," etc) are enough to make the unemployed, crowded nine into one room, under-fed and under-clothed, turn into Communists or something radical. One may not agree with the major premise that the only way out is "revolution in Britain and liberation of the colonies" but one must see that something must be done, if this is not to be the inevitable result.

G. T. F.

A Guide Book to Japan

An Official Guide to Japan—a Handbook for Travellers, with 36 Specially Drawn Maps, 10 Illustrations and 14 Plans. The Japanese Government Railways, Tokyo, 1933.

For many years this guide book also included Manchuria, an indication that long before the Mukden Incident Japan had its eyes on this part of the world. Now Manchuria is covered by a book of its own from the same publishers. Murray's guide book has long since been outdistanced by this official publication, which is about as complete as any guide book can be. Railway rates and hotel charges are specified with great exactness. There is a very complete vocabulary of the Japanese language, together with several pages of grammatical rules on the construction of the language, also a list of the *kana*, both the cursive (known as hiragana) and the plain (known as katakana), these being the syllables that serve the purpose of an alphabet in the Japanese language. The location of hot springs, the times of festivals, notes on the country's development, commerce and industry, are all included. A not unimportant feature is information concerning the large number of electric railways, both private ane government, that radiate from and connect the principad cities.

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CHRONOLOGY OF POLITICAL EVENTS IN CHINA—1933

(*Continued from page 192*)

Northern Hopei included in the so-called Demilitarized Zone.

Sept. 22—Chen Chiung-ming, formerly Kuomingtang leader, who rebelled against Dr. Sun Yat-sen and was expelled from the Party, died at Hongkong.

Sept. 30—Dr. Lo Wen-kan and Dr. W. W. Yen met in Western Siberia to discuss the Sino-Russian relations in regard to Sinkiang Province.

Oct. 4—National Economic Council was formally inaugurated at Nanking with Wang Ching-wei, Sun Fo and T. V. Soong as members of the its Standing Committee.

Oct. 11—Fresh trouble broke out in Sinkiang between General Sheng Shih-tsai and Gen. Ma Chung-ying.

Oct. 14—General Chiang Kai-shek and Wang Ching-wei again conferred at Kiukiang on the problems of the Government.

Oct 21—Li Sen, Chairman of National Government, sailed from Nanking for a visit to Foochow.

Oct. 24—T. V. Soong announced his resignation from his posts as Vice-President of the Executive Yuan and Minister of Finance in the National Government.

Oct. 29—The Central Political Council accepted the resignation of T. V. Soong from his posts and appointed H. H. Kung Vice-President of the Executive Yuan and Minister of Finance.

Oct. 30—Chin Shu-jen, former Chairman of Sinkiang, was arrested by order the Executive Yuan during his visit to Nanking.

Nov. 11—Lo Wen-kan returned to Nanking after trip to Sinkiang province.

Nov. 20—Gens. Li Chi-sen, Chen Ming-shu, Tsai Ting-kai and Chiang Kai-nai declared independence of the National Government and announced formation of the People's Government of China in Fukien with Foochow as Capital. They renounced the Three People's Principles and declared their withdrawal from the Kuomintang Party.

Nov. 30—General Huang Shao-hsiung and Mongolian leaders reached agreement regarding the autonomy issue in Inner Mongolia. General Huang announced that the Mongolians had abandoned their claim to full self-government.

Dec. 1—Chuenchow in southern Fukien was bombed by Government airplanes flying there from Kiangsi. A mass meeting there was dispersed by the air raid and several participants were killed.

Dec. 2—South Western Political at Canton submitted five proposals to the National Government for the solution of the present political situation.

Dec. 4—Moh Teh-hui, plenipotentiary delegate of Chinese Government to the Sino-Soviet Conference in Moscow in 1930-31, and Wang Chia-tseng, formerly vice-Minister of Foreign Affairs and later attached to the Chinese Delegation to the League of Nations, returned to Shanghai from Italy. They announced that Gen. Chang Hsueh-liang would return to China on Jan. 8.

Dec. 10—Four Nanking peace envoys headed by Chang Chi departed from Shanghai for the South to see Hu Han-min and other Canton leaders in connection with the situation.

Dec. 11—Nanking envoys arrived at Hongkong and obtained an interview with Hu Han-min, in the course of which, Mr. Hu demanded the reorganization of the National Government.

Dec. 13—Nanking envoys arrived at Canton and conferred with the leading members of the South Western Political Council on the situation.

Dec. 13—The Central Political Council dismissed Gens. Chen Ming-shu, Li Chi sen, and Tsai Ting kai from their respective posts in the National Government.

Dec. 14—The Standing Committee of the Central Executive Committee decided to postpone the convention of the 4th Plenry Session of the C. E. C. (which was to take place Dec. 20) for one month to Jan. 20, 1934.

Dec. 15—Hu Han-min issued manifesto containing eight proposals for the solution of the present situation, demanding among other things retirement of Gen. Chiang Kai-shek and President Wang Ching-wei, reorganization of the National Government, etc.

Dec. 16—Gen. Huang Shao-hsiung, Minister of Interior, returned to Nanking after trip to Inner Mongolia in connection with the Mongolian agitation for autonomy.

Dec. 17—First clash between Nanking and Fukien troops reported on Chekiang border.

Dec. 17—Dalai Lama, temporal and spiritual ruler of Tibet, died at Lhasa.

Dec. 19—Sun Fo, President of Legislative Yuan, left Shanghai for South China to see Hu Han-min and other Canton leaders.

Dec. 20—Gen. Chiang Kai-shek arrived at Hangchow from Kiangsi in his private airplane to direct the campaign against the Fukien insurgents.

Dec. 21—Fukien authorities issued order to invade Chekiang.

Dec. 21—Southwestern Political Council issued circular telegram, supporting the stand of Hu Han min and his eight proposals as means for solution of the present political difficulties.

Dec. 21—Executive Yuan of National Government dismissed Gen. Chiang Kwang-nai as Chairman of Fukien province.

Dec 24—Foochow, capital of "People's Government of the Republic of China," was badly bombed by a Government air squadron, resulting in considerable destruction of buildings and loss of lives.

Dec. 25—Four Nanking Peace Envoys returned to Shanghai after trip to Kwangtung and Kwangsi without much success in their mission.

SZECHUEN GOVERNMENT TROOPS RECAPTURE ARSENAL FROM REDS

(*Continued from page 200*)

The situation in the Wuhan center is very quiet. Just at present the air is full of Christmas festivity and huge droves of office clerks are out enjoying the mild spring-like weather and paying visits to their employers or going to the talkies, music halls, or restaurants. The governor of Hupeh, General Chang Chun, has just left (Dec. 24) on a four-day inspection tour of northeastern Hupeh. The Pacification Commission for Hupeh, General Ho Cheng-chun, on Dec 24 in Wuchang held a military conference with the leading generals in this area, discussing ways and means of maintaining law and order in this strategic center during the Nanking-Fukien trouble. From past experience, General Chiang Kai-shek and his men know that Hankow bears watching. The schools and shops of Wuhan, no doubt harbor many who are out of sympathy with the generalissimo ever since his break with the Hankow government in 1927, in order to establish the Nanking regime to take its place. Office-seekers and politicians will try to fish in troubled waters and even seek to cause troubled waters. However, the military and civil authorities here have kept the situation well in hand, arresting the troublemakers and keeping them behind the bars before any untoward incidents take place.

In Kiangsi the air is tense with expectation. Military conferences are in progress at Nanchang, the capital of the province and headquarteas of General Chiang Kai-shek. During the past week the following high officials among others have conferred with the generalissimo: General Huang Shao-hsiung, former government envoy to Inner Mongolia, Chen Ching-yun, representative of General Chen Chi-tang, Canton commander, and General Chien Ta-chun, former garrison commander of the Shanghai-Woosung areas.

The eyes of all politically interested are rivetted on Fukien and the negotiations with the Canton and Kwangsi groups. The sentiment of foreigners and leading Chinese seems to favor General Chiang Kai-shek, deeming his experience and wisdom as a strategist of more value than that of the untried plans of Eugene Chen and Chen Ming-shu. Even though the present regime does not have an unblemished escutcheon, yet it has some prestige in the eyes of the Great Powers and a new regime would have a hard uphill road to climb to even reach the present position of the Nanking government. Most observers believe that a political compromise will be made and that a coalition government will result. Time only will tell. Meanwhile watchful, watchful waiting.

Hankow, Dec. 25, 1933.

Government Troops Recapture Chungan from Reds

The Government troops in Eastern Kiangsi latter part of last week recaptured Chungan, a city on the Fukien-Kiangsi border, from the hands of the Communists after a full-day battle. During that engagement the Government troops claim to have captured a large number of rifles and killed more than 600 Reds.

Reports received in Canton, Dec. 23 indicate a Communist threat to renew the attack on the Kiangsi-Kwangtung border. The Chinese press states that the Reds, taking advantage of the tension that exists along the Fukien border, causing both the Nanking and Canton forces to shorten their lines of operation, have become again active in Yungting and Pingho. Military precautions at Meihsien and Chaoan have been increased, and the garrison troops along the border have received explicit orders not to allow any troops to cross into Kwangtung territory. Martial law has been proclaimed in Meihsien and neighboring districts, while the provincial troops at the front have been ordered to attack any military force that should attempt to penetrate the border defences.

The menace of a gradual sovietization of China was given serious attention in an editorial in the *Tokyo Asahi*, one of the most influential dailies in Tokyo, Dec. 16. The paper asserts that the original plan of the Chinese Soviet Government of connecting the interior with the coast in a straight line from Sinkiang, Szechuan, Hunan, Kiangsi and Fukien is well nigh complete with the establishment of the "pink-colored" government in Fukien.

Suggestions as to how the Government should deal with the land problem were made by General Chiang Kai-shek in a communication jointly addressed Dec. 26 to Messrs. Wang Ching-wei and Yeh Chu-tsang, respectively President of the Executive Yuan and Chief Secretary of the Central Party Headquarters. After pointing out that the so-called agrarian policy of the Red bandits is really only a means of instigating mob violence, General Chiang emphasized that the land problem of present-day China is concered not so much with the distribution as the exploitation and readjustment of land. There is, according to General Chiang, no want of arable land in the country; as regards the question of distribution, the settled policy of the Party is to realize the system of equalization of land-ownership; the ultimate object being to make all tillers of the soil—and these tillers only—owners of the land.

An Italian Vincentian missionary, Father Giacomo Anselmo, was taken captive by Communists when the town of Linkiang in Kiangsi, south of Nanchang, fell into the hands of the Reds on Dec 24.

Following upon the recapture of Suanhan and Suiting, two strategic cities in north-eastern Szechuan, the 5th Route Army under General Wang Ling-chi of the Szechuan bandit-suppression forces has further occupied Wangchiachang, Lokiangkow and Fenghuang Shan (mountain) near the two cities.

Szechuen military authorities have issued a proclamation imposing new taxes on the people. The reason given for the new levy is that hitherto only landlords have been taxed while real-estate owners have not been overtaxed. The order states that the new tax is limited to real estate owners and that it is to come into effect at the begining of 1934.

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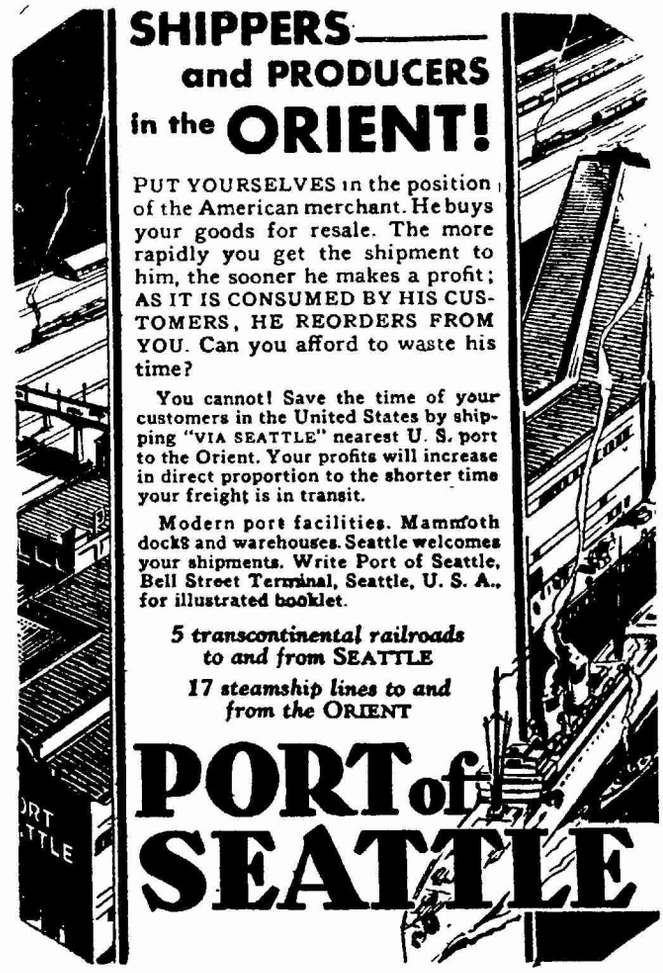
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The National City Bank of New York, Rates of Exchange

Shanghai, Dec. 27, 1933.

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Demand buying rate on America:	U.S.$100 = Sh. $291.97
Demand selling rate on London:	£1.0.0 = Sh. $15.178
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Latest New York Stock Exchange Quotations

Market—Irregular — Business Done 1,800,000 Shares

December 27, 1933

1933 High	1933 Low	Div.$ per Sh.	STOCKS	Mon. Dec. 23	Tue. Dec. 26.
18¾	3	—	Adams Express	7⅛	6¼
33	11⅛	0.60	Alaska Juneau	22¼	21¼
150	70¾	6.00	Allied Chemical & Dye	146	144½
100	49½	4.00	American Can	96½	96
19⅜	3⅜	—	American & Foreign Power	8⅛	7⅜
44⅜	7¼	—	American & Foreign Power 7% Pfd	17½	15⅛
13⅛	2⅝	—	American & Foreign Power Warr.	Unq.	4¾
23⅝	3⅛	—	American Metal Co.	29⅛ ?	19⅛
53⅛	10¾	—	American Smelting	46¼	44⅜
134¾	86½	9.00	American Telephone & Telegraph	109	106½
94¾	50¾	5.00	American Tobacco "B"	66⅛	66
43¼	10⅞	1.00	American Waterworks	17⅜	16⅞
22⅜	5	—	Anaconda Copper	14¾	18⅝
18⅝	5⅞	—	Atlas Corporation	10½	10⅛
84¼	31	2.00	Auburn Automobiles	53⅜	52
37⅞	8¼	—	Baltimore & Ohio	22⅝	21⅝
49¼	10⅛	—	Bethlehem Steel	36⅜	35¾
37⅝	18	1.60	Borden Company	19⅜	18½
21⅝	5½	0.25	Borg Warner	20	19½
20⅞	7¼	—	Canadian Pacific Railway	12¾	12⅝
103½	30½	—	Case, J. I.	68½	68½
47⅞	16⅝	1.40	Chase National Bank	17	15⅞
52½	14⅞	2.00	Chesapeake Corp.	32⅞	32¼
54⅜	7¾	0.50	Chrysler Corp.	53½	52⅝
23⅛	9	0 50	Columbia Gas & Electric	11	10⅝
6⅛	1⅜	—	Commonwealth & Southern	1⅝	1½
64⅛	36¾	3.00	Consolidated Gas of N. Y.	35¼	34⅛
19⅝	4⅞	—	Continental Oil	17⅝	17
90⅝	45⅜	3.00	Corn Products	75	72½
7½	2⅝	—	Coty Inc.	3¾	4
4⅝	1½	—	Curtiss Wright Company	2⅝	2⅝
18¼	10¼	0.75	Douglas Aircraft	Unq.	13¼
93¼	32¼	*2 00	Du Pont de Nemours	92⅜	91
89¾	46	3.00	Eastman Kodak	79¼	78½
41⅝	10	—	Electric Bond & Share	10⅞	10
15⅜	3⅛	—	Electric Power & Light	4¼	3⅞
19	12	—	Fox Film	12⅞	12
10¾	2⅞	—	General Aviation	Unq.	4¾
30¼	10½	0.40	General Electric	18½	18
39⅞	21	1.80	General Foods	33½	33
35¾	10	*1.00	General Motors	33⅞	34
49½	13¼	1.00	General Railway Signal	34	32
27⅜	12	1.20	Gold Dust	17¾	17
47½	9¼	—	Goodyear Tire & Rubber	34⅝	33⅜
40	6⅛	—	International Cement	30	28¾
46	18⅝	0 60	International Harvester	39¾	38⅝
22⅜	6¾	—	International Nickel	21⅝	21½
21¾	5⅛	—	International Telephone & Telegraph	13¼	12⅞
63⅜	12¼	—	Johns Manville	59	57
26	7⅜	—	Kennecott	20¾	19¼
79⅜	37½	2.40	Lehman Corporating	66½	65
99⅜	45½	*4.00	Liggett & Myers, "B"	74½	71½
36½	8½	1.00	Loew's: Inc.	29¾	29
25¼	10⅜	1.20	Lorillard P. Co. (Com.)	15⅝	15
48⅝	18	1.00	McIntyre Porcupine	41¼	39⅝
28⅞	8⅝	—	Montgomery Ward	22¼	21½
64½	19⅞	1.00	National City Bank (bid price)	18¾	17¾
41⅝	5⅝	—	National Distillers	23⅛	22
58½	14	—	New York Central	33¼	32⅜
36½	14	8%S	North American Company	13⅛	12¾
96¾	31½	2.00	Owens Illinois Glass	80½	79⅞
31⅞	14½	1 50	Pacific Gas & Electric	15⅞	15
6⅞	1¾	—	Packard Motors	3⅞	3⅝
42¼	18¾	0 50	Pennsylvania Railroad	30½	29¼
6⅜	1½	—	Penn road Corporation	2⅜	2¼
18¾	4¾	—	Phillips Petroleum	15½	15¼
12¼	3	—	Radio Corporation	6⅝	6½
5¾	1	—	Radio-Keith Orpheum	2¼	2
54¼	26½	3.00	Reynolds Tobacco "B"	42¼	41⅝
47	12½	—	Sears Roebuck	42¼	41½
11⅝	4	—	Shell Union	8	7⅝
17	6	0.25	Socony-Vacuum Corp	16	16
28	14¼	2.00	Southern California Edison	15½	15⅛
22½	5½	—	Standard Gas & Electric	7	6⅜
47	22¾	1.00	Standard Oil Co., of N. Jersey	45½	44⅝
60¾	49⅜	—	Sterling Products	47⅜	46
8⅜	1½	—	Studebaker	4¼	4
30½	10¾	1.00	Texas Corporation	24⅜	23¾
45¼	15½	1.00	Texas Gulf Sulphur	41⅝	39½
9⅜	2⅝	—	Trans America	6½	6⅛
51⅞	19¾	1.00	Union Carbide & Carbon	46¼	45¼
132	61½	6.00	Union Pacific	111	109¼
46⅞	16½	—	United Aircraft & Trans.	31⅜	30⅜
14½	4⅜	—	United Corporation	4⅜	4⅛
25	14	1.20	United Gas Improvement	14¼	14⅛
25	2⅞	—	U. S. Rubber	15	14½
67½	23⅜	—	U. S. Steel	47⅞	47¼
51½	21¼	*2.00	Universal Leaf Tobacco	43	42¼
36¼	7⅝	—	Vanadium	22½	21½
9⅛	1	—	Warner Bros. Pictures	5	4⅞
58¾	19⅜	—	Westinghouse E. & M.	Unq	86½
50⅞	25¼	2.40	Woolworth	39⅝	38¾

*Plus Extras — Call Money — Unq. 1%

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